FBIS DAILY REPORT

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DOCUMENT ON PRINCIPLES OF SOCIALIST CONSTRUCTION

AU100601 Sofia RABOTNICHESKO DELO in Bulgarian 29 Jul 87 pp 3-8

["Todor Zhivkov: Basic Principles of the Concept of the Construction of Socialism in the People's Republic of Bulgaria," adopted by the 28-29 July BCP Central Committee Plenum; passages between the slantlines published in boldface]

[Text] /The nature of the present situation in our country is crucial/ from the viewpoint of our programmatic goal to construct the developed socialist society, the Ninth 5-Year Plan tasks posed by the /13th/ BCP Congress, and from the viewpoint of the contemporary international situation. That is why we attach such exceptional importance to comprehensively analyzing the nature and tendencies of this situation and to outlining the basic directions of restructuring how our society functions and developments.

-- We began all this with the decisions of the BCP Central Committee plenums of February 1985 and February 1986.

-- At the 13th BCP Congress we defined the basic principles of the party policy on a comprehensive restructuring in the new situation.

-- The BCP Central Committee December 1985 plenum, which worked out and adopted the new measures already being implemented had an important role in specifying these basic principles.

Thus now, in the second year of the current 5-Year Plan period, we are living and developing under the sign of intensive political, organizational, and practical work.

/Our experience shows that the cause we have adopted urgently needs creativity and innovation in thinking and practical activity. At the same time our experience shows that this cause requires us to be aware of a keen sense of responsibility to the people and for the future of our country, as well as a readiness to consistently and relentlessly turn our plans into reality./

We are aware of the complexity of the problems. Therefore we repeatedly returned to the basic questions that emerged in the course of the work, tested various, often alternative approaches and solutions, and started to do precisely those things again that we had all considered done.

-- Thus even now we do not maintain that we understand everything. We march along new and unexplored roads for constructing the new society.

-- As far as restructuring is concerned -- we still are at the very beginning of this process. We are facing new problems.

/We can, however, say the following:

We have succeeded in solving important theoretical and practical tasks within a short period./

-- We began with the economy, where we introduced essential changes. We are already applying a new set of instruments for managing it.

-- Some problems of the political superstructure have been solved. Measures were adopted for improving the activity of the public organizations.

With this we concluded an important stage of restructuring.

As you know, the BCP Program adopted by the 10th BCP Congress in 1971 armed the party and the people with a comprehensive and scientifically founded view of developing socialism in our country as our immediate and historical task.

Now at the present crucial stage and given the new historical realities, the need to develop the BCP Program and make it more specific was felt.

The theoretical and practical work, done so far requires us: /to bring everything connected with restructuring under a single common denominator, more specifically -- to outline the concept and create the model of the socialist society in the People's Republic of Bulgaria as it will develop in the process of restructuring./

The following main factor is to be taken into consideration when we speak of such a model:

-- /What goal are we pursuing and to what goal do we subjugate everything we undertake./

As a revolutionary and Marxist-Leninist party our /final goal/ is /to construct communism./

Our /immediate and historical goal is to construct mature socialism./ This is what the BCP Program states.

By implementing our outlines now we shall take a great step forward in /developing the country by the end of the century./

As I have already said, we are discussing a crucial stage. It is a crucial stage both:

-- from the viewpoint of the contents;

-- and from the viewpoint of the goals we set ourselves.

The decisions of the BCP Central Committee February and January Plenums and the 13th BCP Congress determined our national goal.

-- This is the goal of /turning Bulgaria into a highly developed and civilized country./

This /means:/

-- bringing our country into the front ranks of the scientific-technical revolution;

-- placing our country among the leading world states in everything related to labor productivity and the growth of national income;

-- developing the nation's creative possibilities and strongly developing its intellectual potential;

-- achieving a qualitatively new standard of living;

-- creating qualitatively new conditions for the development of the personality permitting it to be expressed to the full.

I. A Model of our Society Appropriate for the New Historical Realities [subhead]

Our premise is well known.

-- We have set ourselves the task of not just improving, perfecting, revealing, and implementing the potential of everything we have created up to now, but of /bringing about a profound change./

-- Our restructuring strategy is to develop by going to the very root of things, going to their essence.

Does this mean that we deny or underestimate everything we have done on Bulgarian soil since the victory of the 9 September 1944 Revolution?

Of course not!

For more than 4 decades our people have been constructing the new socialist social system. We have allowed some mistakes and weaknesses to occur along this road, and there are also some problems that are unresolved, but it is the /historical criteria/ by which the progress of a country is measured that constitutes the most important factor.

-- From being a poor and underdeveloped country Bulgaria has become an industrial-agrarian state where production is concentrated on those areas that are the carriers of the scientific-technical progress;

-- We have removed the social forms of inequality and oppression, released the working people's physical and intellectual forces, freed millions of people from poverty, and indeed ensured their free development;

-- Our country is broadly open to the world, to the achievements of modern civilization, making its contribution to the development of civilization and enjoying great international authority.

From the viewpoint of the /stages in the history of the BCP political line/ we can say:

-- We concluded the stage of constructing the foundations of socialism, heralded by Georgi Dimitrov, the great son of our people, at the Fifth BCP Congress;

-- The cause of the socialist revolution was continued during the stage whose beginning was marked by the BCP Central Committee April 1956 Plenum, and the country began the construction of the developed socialist society.

-- Bulgaria has accomplished a historical leap in its material life, in the intellectual sphere, and in improving the people's standard of living. It has developed at one of the fastest growth rates in the world, and has drawn abreast or almost equal with the most advanced socialist countries.

The following statistics testify of our progress. In 1956 our commodity trade exchange with all countries amounted to 650 million currency leva, 350 million of which represented our exports. The output of the machine building industry amounted to about 16 million leva. In 1985 the commodity trade exchange exceeded 27 billion currency leva. In the Ninth 5-Year Plan period alone, in accordance with contracts, the output of electronics and machine building will represent 70 percent of our exports, while the other 30 percent will comprise agricultural products, light industry output, raw materials, and so forth.

All this is a result of the labor of our workers' class, agricultural workers, and intelligentsia. /However, as I have stressed in the past, all this is history; now we must introduce a radical change. We shall make a fateful mistake of immeasurable consequences if we do not implement this radical change./

Such are the essence and content of our new strategic course, the /course of a new qualitative growth/ as a further continuation of the general April line and the elevation of this line to a new stage.

-- This is a course of profoundly restructuring material and intellectual life, the system of social relations, the set of instruments of the subjective factor, and our entire social development.

-- There is no sector that need not undergo restructuring.

-- We must implement both the theoretical and practical aspects of the Leninist postulate, namely, that it is not only the form in which a substance appears that changes itself in an objective reality, but also the substance itself. The substance, in our case, is the socialist social system.

We have in mind the necesity to take into consideration the new historical realities, which are deeply and diversely reflected in people's life, the social structures, and the society's basis and superstructure.

1. We have in mind first of all /the radical qualitative change in developing the modern production capacities/ in the world, under the influence of the scientific-technical resolution.

-- This is a radical change equal in importance to a /new industrial revolution,/ profoundly changing the tools of labor, the tchnologies, and the intellectual elements of the production capacities.

2. We also have in mind that now /mankind is confronted with a fateful choice, one which in fact presents no alternative./

-- Nuclear weapons have been created, that can annihilate man and the civilization he has created.

3. When we talk about today's realities we have in mind also /the new stage the socialist countries and, above all, our socialist community, are entering./

This stage requires us to see things as they are. This is the main conclusion drawn at the November 1986 Moscow meeting of the leaders of the fraternal parties of the CEMA member states.

-- Socialism heralded the brightest ideals of human history and has confirmed that it will naturally replace capitalism. However, for many decades socialism has been facing unresolved problems, which prevent it from fully demonstrating its superiority.

-- Now the socialist countries are heading along the road of dynamic and intensive development on the basis of scientific-technical progress, which will allow them to fully display their advantages in economic, social and intellectual life by the complete mastery of the objective laws of social development, while taking the requirements of these laws into consideration.

As you can see, we have in mind a stage born out of essential domestic and international conditions, a stage to which one can fully apply the words of Marx, namely, that history does nothing essential without having a special reason for it.

/Those are the main realities, that require from us responsible political decisions and actions./

To one degree or another all socialist countries make their conclusions on the basis of these realities. Conclusions were drawn first of all by the Soviet Union as a leading socialist state. The decisions of the 27th CPSU Congress, and the CPSU Central Committee January and June Plenums are a shiny manifestation of this fact. These decisions are of historical significance not only for the Soviet state but also for all fraternal countries, including Bulgaria.

We, Bulgarian Communists, also draw our conclusions on the basis of the aforementioned realities.

/Consequently, we have in mind not only the need to overcome the weaknesses and shortcomings. The issue is much more serious and deeper./

We must create a model of our socialist society if we are to put into effect the strategic course of a new qualitative growth.

It is well known that models are an important instrument of theoretical and practical activity. On the one had they have their place and role in the scientific analysis of certain complex phenomena, and on the other -- in forming and developing new objective realities.

-- "Das Kapital" is an example of the first case. In it Marx ignores the specific characteristics of capitalism in its various aspects, and reveals the general skeleton of this society, the law governing it, and how it functions and acts.

-- The new reality that emerged after World War II in the people's democracies is an example of the second case. This reality was a model of a revolutionary process in a group of countries that had embarked on a new road, under similar historical circumstances.

/In that form the concept of model has a certain scientific content and plays an important methodological role in the theory and practice of Marxism-Leninism./

The experience of the socialist revolution and the construction of socialism so far shows that three characteristics appear in organic unity during the revolutionary process.

/First/ -- there are the /general characteristics/ (natural laws) of the revolutionary process, which are of major and decisive importance.

/Second/ -- there are the /specific features/ the (specifics) of the revolutionary process, characteristic of a group of countries.

/Third/ -- there are /unique features/ (the unique), which apply only to individual countries.

The real issue that interests us in this case is that the specific manifestation of the common natural laws in a given country allow us to create /models of the socialist society in individual countries./

In principle it is also possible to create models at the level of the common and the unique. The need to create a common model of socialism, that takes the new historical realities into consideration emerges with great force at the present stage. Obviously, the creation of models of socialism in individual countries could facilitate the creation of a common model.

What follows from this premise?

-- It gives us an opportunity to expand and enrich our visions both at working out a joint theory of socialism, and in solving the specific issues of socialist construction.

-- This premise requires us to see the specific manifestation of the common and the unique not as simple substance but as a comlex creative activity that presupposes responsible theoretical and political solutions.

-- Finally, it allows us to show more clearly and cogently the /bankruptcy of the anti-Marxist theories about "specific models' of socialism in various countries. Those are theories, that deny in the name of the specific the common factor and common characteristics and natural laws of socialism.

/This is how we pose and review the issues related to the concept of our socialist society at the present stage./

Our society is a living organism, one that is constantly developing, progressing from a lower to a higher stage. In this context our concept and our model also develop and are enhanced. However, this process is also a dialectical one. It can be conducted both through an improvement within the framework of a given qualitative substance, and through a transition from one qualitative state to another on the basis of the determining essence of the socialist social system.

/The specific conditions of the present situation require that we do not just improve the existing model or develop its possibilities, but implement a qualitative transition to a model which conforms the new realities in the world, the socialist countries, and in our country./

Without fully listing the characteristics of this model, I shall present its essential features:

/First. It is a model that aims to solve a great historical task -- to display in full within a short period the essence, advantages, and attractiveness of socialism on our, Bulgarian soil./

-- The analysis of the problems which we are encountering and solving shows that we have at our disposal of all possibilities of an objective and subjective character. In short, this is a historic chance, that we have no right to miss.

-- All our elaborations, plans, and projects must be subjected to this task.

-- Naturally, the implementation of this task will be a process and not a single action. We will need great efforts and time for this.

/Second. With this model we must create comprehensive conditions for our socialist society to function and develop as a self-managing system./

Thus in the final analysis we aim to give wider scope to such levers and regulatory instruments which will overcome the administrative approach. Undoubtedly, the economic levers and regulating instruments will have a special role in this area. As a result, the role of millions of people as a subject of management will grow, and the /process of turning the government from a government in the name of the people into a government executed through the people/ will develop.

-- This premise springs from our programatic goals and corresponds to the ideal of socialism, heralded by our first teachers.

-- It is on the implementation of this premise that the development of inexhaustible possibilities and advantages of socialism, and the creative forces of the people's masses, as well as our successes in the struggle against negative phenomena depends to the greatest degree.

/Third. The model must encompass in one basket all the main characteristics and aspects of our social reality, all material and intellectual values and resources, and the entire potential of the country./

In this context the following task emerges: to produce a general and synthesis of everything we are doing and intend to do in the course of restructuring. Now it is contained in various documents. More specifically, these documents are:

-- The Labor Code;

-- The two declarations of the National Assembly on the new role and place in social life of the labor collectives and the municipalities;

-- The Code of Economic Activity;

-- The Basic Principles on Forming Associations of a New Type;

-- The Basic Principles of Restructuring the Banking System;

-- The Considerations on Further Developing the Cooperative Movement.

Naturally, each of these documents has its place and importance. We do not mean to unite them in a mechanical manner. Our task is to combine them in one entity.

Such a synthetic picture has an exceptional importance in:

-- ensuring that everyone sees and better understands what we mean when we speak of a new qualitative growth;

-- consistently approaching the tasks of restructuring from the viewpoint of a complete act, and not sporatically, by "piece work";

-- approaching new areas of restructuring with greater confidence and preparation.

Such an approach means bearing in mind Lenin's warning that "whoever deals with partial issues without first solving the general issues, inevitably, involuntarily, will 'run across' these issues at every step. Running blindly across them means to doom our policy to the worst hesitations and lack of principles.'

In other words, by using this model we must ensure /the harmonious development/ of the entire social organism, and a 'systematic development/ in the economic, social, intellectual, and political areas, including /our participation in the integration/ of the fraternal socialist countries and the international division of labor.

-- We must not allow any situation in which individual aspects or areas of social life improve at the expense of other aspects and areas. This would increase the difficulties in the functioning of the social system.

-- Restructuring in one area often requires changes along the entire chain of horizontal and vertical relations. The violation of this principle is one of the most important reasons for the failure of some of our great enterprises already at the embryonic stage.

Undoubtedly we cannot develop all processes of restructuring simultaneously. This is neither possible nor necessary. Restructuring has its own logic of development. This logic is an objective one and is subjected to certain natural laws. However, precisely /because this is so, it is necessary to operate from our common concept while solving each separate issue./

The task which we set in this document is to encompass not the details, /but the essential and logical factors, the "skeleton," the general system of our society and its structure, and the manner in which it will function and develop in the new stage./

-- Thus we shall equip the party and state leadership and all organs of social management with a strong and active means for revealing the new problems in a timely fashion and correctly solving them.

-- We shall speed up restructuring, increase its dynamics and confidence, and will gradually develop it on a broad front.

-- On this basis the cadres and working people in various areas will analyze the processes which are taking place in a new manner, develop a general view of these processes, and take an active part in their implementation.

-- Then the new premises, views, and approaches will to a higher degree become a mobilizing force for solving the problems.

-- This will undoubtedly have a great ideological impact and will play a positive role in educating the people and especially the youth, in the spirit of the ideals of socialism.

-- At the same time this model will allow us, figuratively speaking, to pay a lower price for restructuring.

/The necessary conditions for constructing such a model with such sociopolitical, organizational-practical, and moral-ideological potential, exist:/

-- We have new theoretical visions and approaches.

-- We have implemented changes which outline the most important features of the new stage in our society's development.

-- Our experience so far gives us a good foundation for outlining the future structures, forms, and tendencies, revealing their possibilities, and revolutionizing our development.

Thus, we are ready to solve this task.

I would like to explicitly point out: we never had nor do we now have the ambition to create a common model of socialism. /We have in mind a model that applies to socialism at the present stage in the People's Republic of Bulgaria and takes into consideration its specific historical possibilities and conditions./

-- This model contains in dialectic unity the requirements of the common, specific, and unique factors.

-- We are therefore carefully following and studying the processes of restructuring and the experience accumulated in the process of restructuring in other socialist countries.

-- The experience of restructuring in the USSR has a special importance for us. The ideas developed by the 27th CPSU Congress and the CPSU Central Committee January and June Plenums coincide with our strategic course. This gives us new stimuli and an impetus to put restructuring into effect.

/I would like to stress with special force that our model will be an active and future-oriented one if it takes into consideration Bulgaria's participation in the international division of labor./

In the coming period it must be strengthened even more by developing our economic, scientific-technical, and trade relations with the capitalist countries, the developing countries, and the countries with a socialist orientation.

Of course, for us, our participation in the /international socialist division of labor/ is a determining factor.

The People's Republic of Bulgaria will continue to be a solid unit and supporter of CEMA and will make its contribution to the restructuring of CEMA /Developing and strengthening comprehensive cooperation and coming together with the USSR/ is our constant task.

The construction of the model we have in mind requires that we take into consideration the achievements of modern science and the scientific-technical revolution. The social sciences have an especially great and responsible role.

/In the final account, Marxism-Leninism is the foundation of the correct approach to implementing this task./

We have always stressed the decisive role of Marxism-Leninism in preparing and conducting the socialist revolution, and in implementing the socialist restructuring of society. Furthermore, our experience to date shows how important and necessary it is to review, develop, and apply Marxist-Leninist science.

-- It must be reviewed, developed, and applied as a /method/ which represents a powerful and irreplaceable means of researching the phenomena and natural laws of reality.

-- It must be reviewed, developed, and applied as an /ideology/ which, through the prism of the workers class, reveals and analyzes social needs and class interests, the ideals in whose name the socialist and communist restructuring of society is taking place. As an ideology, Marxism-Leninism equips us with a scientific viewpoint and exerts a powerful influence on the working people's consciousness and behavior, and on determining public and private goals, needs, values, and so forth.

These two aspects of Marxism-Leninism exist in organic unity. /They must be neither drawn apart nor confused with each other./

As our experience shows, every case of replacing Marxism-Leninism's scientific aspect with its ideological aspect, and vice versa, can harm the country's internal life and the form and conduct of its foreign policy.

The development of a comprehensive concept of socialism in our country according to present realities is fully subjected to one /main goal -- man, and his happiness and welfare./

-- It is well known that man, free of exploitation and in charge of his own destiny, is the /basic factor/ in constructing and developing socialism. Furthermore, he is socialism's end in itself./

We need a new understanding and evaluation of the human factor's role at the present stage. The Marxist primise on man as an aggregate of social relations is a guiding principle in developing and implementing the proposed concept.

This means:

-- /First,/ to see man as a worker who creates material and intellectual values.

-- /Second,/ to view man as a creator who generates new ideas and decisions.

-- /Third,/ to view man as a consumer who satisfies his material, intellectual, and social needs.

There are no class contradictions in our society; however, there are differences of interests, and they will continue to exist. Many interests will clash. We must not be afraid of this. On the contrary, we must take these needs and interests into consideration. Furthermore, we must arouse new interests which are an expression of healthy and sensible needs.

The concept we present incorporates a new vision of /social policy/ which will not only ensure the satisfaction of the growing material, intellectual, and social needs of the people, but will also turn social policy into a powerful lever to develop the working people's energy.

-- Many essential conclusions and practical measures spring from this fact.

Two issues require more special attention.

/First,/ there is the issue of social equality and social justice.

-- Also at the present stage of developing socialism, there is not and cannot be another form of social equality other than equality based on the principles of dividing according to the quantity and quality of labor.

-- This means: equal income and equal consumption for equal labor. Simultaneously, this fact presupposes an objective inequality: unequal income for unequal labor.

-- This is the supreme expression of social justice under socialism, in which man's place in society is determined not by his origin, but by his ability and the results of his work.

/Second,/ the principle of socialist justice requires that further irreconcilable struggle be waged to eliminate negative phenomena and violations of order and discipline.

-- We must not forget that negative phenomena reproduce themselves, and thus call for a constant and aggressive struggle.

-- Lenin warned that the socialist revolution must not stop at annihilating the "big predatory animals," in other words, the exploiting classes, and that if we allow the development of petty appetites and open a field for the activity of "small parasites" and the "small plunderers" of public welfare, our revolution will not achieve its goal.

We do not need condemnations, abstract appeals, and criticism addressed to no one. It is necessary to begin first of all by solving the most important and essential thing -- removing the causes which produce negative phenomena in our social life.

Simultaneously, we must apply much greater care to the /moral education/ of the people, which must become one of the basic directions of our ideological-educational activity.

It is our task to work more insistently to create and strengthen a moral atmosphere in all cells of our social organism, which will encourage man to perform new creative deeds.

-- If our society requires high morals from everyone, then this applies with greater force to the leading cadres at all levels. The negative personal example of these cadres and the discrepancy between their words and deeds inflict irreparable damage to socialist morals and to the people's education.

-- The issues of humanity, justice, and high morals must occupy a central place.

-- It is precisely in this area -- intellectual, values, humanity, and social justice -- that socialism must reveal its advantages to a greater degree.

-- Legality and equality before the laws, respect for public opinion, tolerance, friendship, mutual assistance, honesty in human relations, and so forth are the important values of the socialist manner of life, which we must constantly assert.

/It must be clear: We shall implement the drastic change and put into effect the model we have worked out for our social development only if we activate the creative forces of every man and if we prepare the people for this change, and attract them to take part in it. Restructuring our society -- this great historical cause -- must become a nationwide cause!/

II. Our Concept in Terms of the Implementation of the Requirements of Objective Natural Laws [subhead]

Undoubtedly this is a key theoretical and practical issue. As a result of the theoretical work we accomplished in recent years, we have drawn certain conclusions which we shall utilize now.

/First. The determining element in our case is the fact that if our model is to be viable and active it must practically implement the basic natural laws emerging in our country at the present stage./

Human history is an objective process, determined in the final account by objective laws.

Figuratively speaking, until now nobody has succeeded "in outsmarting" history.

/Therefore we apply and shall apply great efforts to reveal and utilize in a timely way the natural laws of our social development./

This is the alpha and the omega of our work and struggle.

What natural laws do I have in mind?

-- It is necessary to further ensure the activity of natural laws of constructing and developing the socialist society, such as asserting public ownership of the basic production means, and on this basis, to systematically develop society, the correlation between production capacities and production relations, the leading role of the Communist Party, and so forth.

/Simultaneously, we must create all conditions of activating and demonstrating the natural laws/ relating to the scientific-technical revolution, the law of the value and the commodity-monetary relations connected to this law, the increasing role of the people's masses as creators of history, the interests of every citizen in our country, the synthesis of different social phenomena and processes, and so forth.

It is well known that we do not deal with the theoretical aspects of the natural laws in our society. We have had many efforts to break down and apply them in our new economic mechanism, in the construction of the new economic structures, in the new Labor Code, and so forth.

The efficiency of our society's model will be measured primarily with the space it reveals for the activity of the aforementioned natural laws.

There are two additional issues of a special importance.

/The first issue is that the activity of the natural laws contradicts many structures, forms, relations, norms, and so forth, which have been established in our country./

Let us consider the scientific-technical revolution, which we justly define as a most important key to our further development. It requires fundamental changes in the basis and superstructure of material and intellectual life. More specifically, it is incompatible with some economic structures which history has formed in our society, with the extensive factors of its development, with many of the present forms of organizing science and education, with many important aspects of social management, and so forth.

The consistent application of the law on value and the related commodity-monetary relations requies fundamental changes in planning, price-forming, labor wages, the methods of management and leadership, and so forth.

-- The operation of this law requires a review of many already asserted opinions about ownership under socialism.

-- This ownership is neither anonymous /nor detached from the commodity-monetary relations./ We cannot avoid this stage, at which the commodity-monetary relations will continue to apply, no matter how much we wanted to do this years ago.

-- /The property must be viewed in a dynamic manner/ from the viewpoint of its managing, and the forms in which it manifests itself. No such forms must be underestimated.

The activity of the law of the increasing role of the people's masses as creators of history also contradicts some asserted views and practical solutions.

Thus, we must overcome the simplistic idea that turning the working people from the object into the subject of government is a matter for the future.

-- This idea, as I have stressed on other occasions, led to bureaucratic distortions, detachment of some cadres from the people, and so forth.

/In general, we must see the main factor: The activity of the objective natural laws inevitably produces contradictions, which we must overcome./

Simultaneously, it is necessary to take into consideration that two kinds of /contradictions/ appear in this sphere.

--/Contradictions which emerge because of objective reasons. /They are inevitable because they are connected with the logical process of the growth of the new factors, which contradict the old ones.

--Contradictions, which emerge because of subjective reasons. /They are the results of mistakes in guiding the social processes and of the inability to quickly reveal and overcome the contradictions which have already emerged.

In principle, two approaches are possible in this process.

-- The first approach involves the direction of the attention and efforts toward /removing the consequences of a certain contradiction/ or toward diminishing its negative influence.

-- The second approach aims not only at limiting the negative influence of certain contradictions, but at /eliminating the causes and changing the conditions that produce these contradictions./

We follow precisely the second approach in developing our concept.

We overcame the simplistic idea that our society is alien to contradictions, or that it is mainly the arena of contradictions produced by subjective causes. Now it is necessary to consolidate our views by better connecting this issue with the dialectics of the operation of the objective natural laws.

/The next issue I would like to review relates to the fact that none of the natural laws in question acts independently, in isolation from other contradictions./

-- The issue in question /is no longer/ to take into account the activity of other natural laws when we discuss one of them. /This is an obsolete premise./ It was precisely this obsolete premise that hindered us for many years, in both our economic mechanism and in practical work.

-- /The new and main factor/ now is to take into consideration the activity of the objective natural laws as a synthesis which, as you know, presupposes not just cooperation but an organic growth of one thing into another.

-- The synthesis is evident, not only in the /objective operation/ of these natural laws. It must also penetrate /the way they are reflected/ in the economic mechanism, and in the manner in which we /study and use them./

/Finally, it is necessary to take into consideration the fact that the requirements of the natural laws must be consistently implemented, both in the basis and the superstructure./

-- The basis and superstructure cannot: "speak" different "languages." The laws in question are general. [paragraph continues]

Figuratively speaking, no area of public life could say "this does not apply to me."

/Second. When we speak about the objective natural laws, we must not forget that their requirements are incorporated in certain principles of socialism./

It is no accident that the classical founders of Marxism-Leninism attributed exceptional importance to the principles by which the new society is constructed and developed.

-- This factor is already incorporated in their premise that socialism and communism are two phases of communist formation. The basic difference between them being the fact that the principle "from each according to his ability, to each according to his labor," applies under socialism, while the principle: "from each according to his ability, to each according to his needs," applies under communism.

-- These two principles contain, in a concentrated manner, the requirements of the objective laws which act under socialism and under communism respectively.

-- In this sense, the principles which reflect the requirements of the objective laws form a set of tools of direct use in politics and in practical activity. The political course and strategy of social development are conducted with them and through them.

/Under the influence of the objective natural laws, new principles are now being developed in our country, some of the principles which we applied up to now are being further developed and enriched, while other principles simply fade away./

Several principles acquire a special place in our theoretical and practical activity:

-- The principle of self-management;

-- The complex principle of the construction and functions of social structures, both in the basis and the superstructure;

-- The principles springing directly from the law of the value and the commodity-money relations (the principle of wages according to quality and quantity of labor, the principle of equivalent exchange, the principle of control through the leva, the principle of self-financing and cost-accounting, and so forth).

We must take into consideration the fact that, so to speak, we have not exhausted the wealth of the new social natural laws and have not applied all the principles asserted by them.

-- This will be a process that will last a considerable time.

-- Our theoretical thought will be of first rate importance in this process.

/Third. In our work and struggle we are paying, and will continue to pay, exceptional attention to the issue of how to bring the objective natural laws and principles, on the basis of which we are conducting this work and struggle, to the awareness of the direct creators of material and intellectual values and, what is especially important, to make them conform to their interests./

-- Let us recall the idea of Marx that ideas become a material force when they take possession of the masses.

-- For this reason we have striven at every stage to make the party's strategy comprehensible and close to the hearts of the masses, and to turn it into a vital program for action.

-- This is not an issue that lies on the periphery of our theoretical and practical work, nor is it an issue merely of agitation and propaganda.

Now we must demonstrate skill in making the strategic course for qualitatively new growth comprehensible to everyone, so that everyone realizes that it is also his own personal cause, relating to his own needs and interests. We must find the skill to "translate" the new strategic course that we are implementing into the "language" of everyday politics and labor, and to express it in inspiring appeals in order to galvanize and rouse the people's millions.

Why is this so?

It is because the issue of appeals is an /issue of the ideals/ in whose name we are waging war for the victory of the new society.

By implementing the strategic course for qualitatively new growth in practice we are entering /a new stage of enriching, developing, and realizing the ideals/ embodied in the Program of the BCP.

This is so in all fields:

-- By the scientific and technical revolution that we are conducting, we are creating new conditions for continuous development of the individual;

-- With our policy for qualitative new growth in the economy, we are aiming to achieve higher labor productivity and an abundance of wealth for the working people; and

-- In our campaign for the new society we proclaimed: "He who does not work should not eat." In contemporary conditions we would want to express this as follows: "He who does not work should not eat, and he who provides more for society should receive more."

Many examples may be given, but this is not the point. The chief thing is that, in implementing the current revolutionary change, we are not renouncing, but rather even more strongly proclaiming our communist ideals, and crating even better preconditions for their gradual realization.

/However, the issue is not only one of loyalty to our ideals. It is also important to continually find the most direct paths toward these ideals, forcing a clear way through the complex circumstances, difficulties, and contradictions that history continuously puts in our path./

Some people are inclined to regard the ideals of socialism as consumer ideals. They wait to receive things on their plate from society. This we will not permit. We want every Bulgarian citizen to take his own share in socialist construction.

Every generation must wage war anew in the changing circumstances on behalf of our ideals. [paragraph continues]

Here lies the pain of giving birth to the new, but romance is also present here.

/The question of ideals is reduced in the final event to the interrelationships between the objective and the subjective in our society./

Why do we pose this question now?

/We pose this question because the new elements that are developing in our real life are also breaking through into the people's awareness and into their thinking, giving rise to profound changes./

-- When we speak of the scientific and technical revolution, it is wrong for us to imagine that this revolution is "entering" life and man's consciousness only in the form of machinery and technologies. This is one side of the issue, and one that we do not underestimate.

The other side is that the new processes, including the scientific and technical process, are shaping new qualities in the individual and are reflected in the very ideals of the people and youth.

-- The scientific and technical revolution can be a revolutionizing factor under our conditions, provided it is not isolated from the change in attitude to property, commodity-money relationships, and so on.

-- In the same manner, the self-management that we are now developing everywhere can form such a factor only in combination with the scientific and technical revolution and with the other objective laws.

Accordingly, the profound and all-embracing reform we are carrying out creates a new reality in Bulgaria, one that will lead to revolutionary changes in all fields.

/To summarize, I would like to stress this: The objective natural laws, the principles of socialism, and the sum total of our ideals are the "supporting structure" for the model of our socialist society./

Our concept for the further construction of socialism in Bulgaria requires that the concept be continuously improved and developed, that it should be a unique kind of open system. In the course of the practical work the concept will be augmented, refined, and further improved. At the same time it will provide the necessary scope for creative decisions and for seeking new possibilities and different alternative solutions for the problems.

-- The role of the social sciences is extremely important in this respect, and they should raise the level of their work.

-- The study of other countries' experience is also of great importance here.

III. On Making Our Society Self-Managing [subhead]

1. Under present-day conditions the question of self-management constitutes for us and for our party a /general issue/ of the theory and practice of the construction of developed socialism in the People's Republic of Bulgaria.

-- First and foremost, the transition to self-management is conditioned by the /requirements of the objective natural laws/ governing our society's development and by the need for us to open up wider space for their operation.

-- Self-management naturally stems from the expansion of socialist democracy in Bulgaria.

-- The new stage of the /scientific and technical revolution/ requires new forms of organization and management of social production.

-- Solving the problems of socioeconomic development is beyond the powers of a managing elite. Conditions are needed for the active participation of the labor collectives and to stimulate their creativity.

/On the other hand, we also have the necessary theoretical premises at our disposal, namely Lenin's rich legacy and the new achievements of the party's thinking on these issues./

Of course, we have not accumulated enough practical experience, and many of the theoretical postulates developed hitherto require further development and, especially, adaptation to specific conditions.

2. What, in the most general terms, is the philosophy of self-management?

First of all, it is the postulate that /the principle of self-management is fundamental in the whole system of principles that we are now applying./ In a certain sense it is the nucleus of this system, the focus where all the other principles meet.

-- And under the new conditions, the role of the Leninist principle of democratic centralism is not only preserved, but even strengthened. This truth is clear as day to us.

-- If we permit self-management to cut across democratic centralism, that will mean that we have solved the problem incorrectly, because self-management, far from contradicting democratic centralism, creates qualitatively new conditions for the latter to operate.

-- The main thing in the context is that the principle of democratic centralism will operate on the basis of self-management, a matter that requires us to draw important conclusions of a theoretical and practical nature.

Under self-management conditions, the direct producers are also the owners and managers of the uniform, indivisible socialist property. They are both the managers and the managed. This means that they manage themselves, exercising the actual power both directly and through their elected organs at different levels.

One must also take into account the fact that the principle of self-management is of /global importance/ for the development and functioning of the whole of our society. It would be a mere simplification to reduce it merely to the system of management. In accordance with this principle we are restructuring, and must restructure, the entire social system horizontally, vertically, and diagonally, introducing profound qualitative changes in all areas of the base and the superstructure.

/We have set ourselves the historic task of creating all conditions for our socialist society to function and develop as a self-managing system./

-- This is why we made the correct approach of laying down self-management as the basic principle for reorganizing labor relations, planning, wages and salaries, the banking system, the cooperatives, and the apparatus of state.

This is a new, qualitatively novel task that we must implement now, at the present stage. In this context, we have put right a number of ideas that have gained currency among us, namely that the transition to self-management will be accomplished during the second phase of the new society, under communism.

3. If self-management is of determining importance for the entire restructuring of our society, we must make quite clear what the principles of self-management are, and what its requirements are.

What are the principles of self-management to which we are referring?

As the course of restructuring demonstrates, the following are of particular importance for us at the present stage:

-- the principle of the right and responsibility of the self-managing unit to resolve all issues that lie within the field of its capabilities;

-- the principle relating to the ever and closer drawing together, reaching complete merging in certain respects, of the state and social principles in the self-managing unit;

-- the principle of turning all bodies that stand "above" the self-managing community into organs of self-management;

-- the principle of starting "from the bottom" in setting up various organs and organizations, in defining their functions, rights, obligations, and responsibilities, and in adopting decisions; and

-- the principle of free will in forming collectives and associations of collectives.

These principles apply to all aspects of our social system.

4. /By following the above-listed principles we aim to radically restructure social relations and the management of society./

Let us take the /three basic constituent groupings/ of the political system, which are:

-- the state organs and organizations;

-- the social organs and organizations, movements, creative unions, and so forth; and

-- the party-political organs and organizations.

In the course of socialist construction, this structure of our political system has played a decidedly positive role. However, now a new situation is being created. Under the conditions of further increasing the maturity of the entire social system, social relations, and social management, /the established structure of the political system is beginning more and more clearly to come into conflict with the new natural laws of our social development./

-- The operation of these natural laws requires a /new approach/ for building the political system and differentiating its subsystems. A number of the present structures are /incompatible/ with these natural laws. From an ally, they have turned into a /brake/ on development.

-- Certain constituent units of the existing political system are /breeding grounds/ for bureaucratic attitudes and social distortions. In a number of /cases they produce/ those figures who lag behind real life and oppose what is new and progressive.

-- Notwithstanding the measures taken, we have witnessed the great stability of the parasitic elements in our political system. The attempts to oppose them have not been sufficiently successful, because the causes that maintain the status quo are being preserved.

These three elements of our political system are differentiated structurally, institutionally, and functionally. Each of them has its own organs, its own mechanism of functioning, and its own hierarchically constructed organizations. Each of them adopts certain decisions. However, the target [obekt] of these decisions is one and the same.

This gives rise to one of the chief contradictions in our development -- between the objective natural laws of the present stage and the outlived structures and relationships in the political system.

The contradiction also manifests itself at the national level.

-- Th_ee constituent elements of the political system exist, with all the consequences stemming therefore: institutional isolation, strict delineation of functions, the existence of an apparatus with its inherent tendency toward bureaucracy, and so on.

Under the new conditions, a real problem that stands on our society's agenda is the /ever closer drawing together and gradual merging, in certain respects, of the state and social principles./

-- This is dictated not only by the existence of different organizations with their own apparatus that swallows up huge resources, but primarily by the course of the objective processes in our society.

-- Here we are not starting from the very beginning. We already possess rich experience of an innovative concept, namely the social-state and state-social principle.

-- Unfortunately, this experience is not being thoroughly studied at the present and, what is especially important, is not developing further in a creative manner.

-- The chief thing is to increase the effectiveness of the political system and to expand its democratic character.

5. /Let us examine the problem of hierarchy in society and its management./

We know that this form of division of labor arises and deepens as society develops toward socialism, resulting in the formation of different levels of management and groups of professionals specializing in the execution of management functions.

-- Indeed, our society cannot do without a certain degree of hierarchy, a specialist professional apparatus, and appropriate management structures.

/The problem lies in the fact that the method used hitherto in the setting up and functioning of the hierarchy system led to the emergence of a bureaucratic stratum./

-- This stratum has created its own standard through tens and hundreds of channels, leading to a lack of sensitivity toward man's problems.

-- The stratum is not large, but the mischief and damage it causes in its striving to preserve the status quo and the position of the desks, posts, and jobs that it occupies are far from insignificant.

-- We are referring here to bureaucracy and its practitioners, and not in general to the officials and specialists, the majority of whom carry out their work honestly.

/Now the self-management principle enables us to radically alter the state of affairs. Let us change them in such a way that this apparatus and the relevant structures serve society and the people, come under their control, and function on the basis of defined rights, obligations, and responsiblities./

This will be a difficult, complex, and probably painful operation, but there is no other solution. Either society will take decisive measures to curb the bureaucracy, or the bureaucracy will continue to cause more and more serious economic, moral, and political damage to socialism, leading by its behavior to other social distortions by means of a chain reaction.

-- As a party and state we are firmly resolved not to allow bureaucratic attitudes to gain supremacy.

-- It is evident that there will be supporters and opponents of this. The supporters will be the healthy forces in the party and society, that is, all who are strengthening their own prosperity and positions in society by their labor. The open or secret opponents will clearly be those who obtain more than they deserve for their labor.

/Life has taught us that this cannot be achieved by decrees or wishful thinking. The crucial thing is to reorganize the entire system of social relations and the method by which it functions, beginning from the elementary "cells" that constitute the system./

Let us recall Marx's approach as applied in "Das Kapital." In investigating the mechanism of the capitalist economy, he began by analyzing the most elementary cell, namely the commodity. From this Marx deduced capitalism's contradictions and problems, as well as the final conclusion concerning its inevitable collapse.

/Our approach should also lie along the same principle./

-- Here is it necessary to define those "cells" in our social organism whose analysis and operation form the basis for restructuring, its motive force.

These "cells" must be the ones in which the requirements of the new objective natural laws are most densely interwoven.

In the search for such "cells," for such component units in the restructuring process, we have covered considerable ground and also amassed a certain amount of experience. Work on the new Labor Code, the Code for Economic Activity, the associations of a new type, the reorganization of the banking system, and so on was in essence most intimately connected with the problems of the self-managing communities.

-- Such communities are the /labor collectives/ in all sectors where material and intellectual values are created.

-- /Such communities are the territorial communities and, first and foremost, the municipalities./

/The main new feature of our approach is that it starts "from the bottom," from the primary unit. This unit is being provided with everything it needs to fully develop its functions. Once all possibilities have been "exhausted" at this level, we will proceed to the next level, and so on./

-- This approach, which we are applying for the first time, ensures possibilitis for building /rational, economical, and effective working/ organs. It undermines the foundations of the bureaucratic attitudes in organizational construction./

-- A feature of particular importance is that this enables us to eliminate the bureaucratic hierarchy in existence until now.

-- At the same time we are building a new type of management system and an appropriate hierarchy.

/Experience shows that we must adopt the same approach toward the functioning of the new organizations and their organs of self-management./

-- More specifically, this approach should be applied in the making of decisions, so as to overcome the harmful practice of adopting decisions for their own sake, as well as of adopting decisions that stifle the lower-level units and increase bureaucracy.

-- In this manner we are intensifying the new type of democracy, in which the people's masses are the chief agent.

-- This approach will gradually be applied to the entire social system.

-- This also applies to the question of control, which under the new conditions will be control from the bottom to the top.

-- Under the new conditions the state organs are elected and controlled by the citizens. The echelon of the organs of state belongs to them.

/Accordingly, what we are accomplishing is in accordance with a profound strategic design and is revolutionary in its nature./

Through socialist self-management we can increase the people's level of activity and direct them toward achieving the noble goals of our socioeconomic development. The very principle of self-management is based on the maximum degree of democracy, first and foremost in the labor collective and the territorial community.

6. /The basic rules on the basis of which the self-managing communities are being built stem from all this./ They have at their disposal /all the necessary rights and relevant obligations/ to implement the goals that society in the person of the socialist state has set them.

-- The self-managing community is provided with great rights and responsibilities /to independently solve the problems/ arising in its activity, and it is to be brought fully to account regarding the results of this activity.

-- /These rights, responsibilities, and obligations form a single, coherent whole./

-- They ecompass the comprehensive activities /of the self-managing community, which carries out not only economic, but also social, intellectual, political and other functions,/ that is, everything connected with man where he works and lives.

-- Hence it follows that, in order to fully develop the strengths and possibilities of a given self-managing community, its production, social, sociopolitical, and other functions must be organically linked together.

7. /We have already taken an important and, it may be said, crucial step, namely setting the base of the social pyramid upon the principles of socialist self-management./

-- Following the principle of beginning from the bottom upwards, the rights, responsibilities, and obligations of the labor collectives, work teams, and enterprises were defined in accordance with the Labor Code, the Code for Economic Activity, and other basic documents.

-- The collective organs of self-management and the leaders of the /enterprises and production units/ were elected by secret ballot.

-- /The enterprise/ was made the basic goods-producing organization. In the enterprise all management decisions, including internal regulatory acts, are ratified by the collective organs of self-management.

-- The same also applies to the regulation of the interrelationships, rights, and responsibilities of the work-team collectives, which operate by a system of internal economic accountability and independently decide issues concerning their own organization and composition, the distribution of remuneration for their work, and so on. /Trusts of a new type,/ composed of the collectives of enterprises and technological, trading, and scientific units were also set up, on the basis of common interest, in order to increase efficiency.

-- The economic trust is a self-managing organization that combines the labor collectives of enterprises and, in accordance with their instruction, carries out only those functions that are entrusted to it. [paragraph continues]

The enterprises elect the leading organs of self-management of their trust, and their leadership and collectives participate in the activities of these organs both directly and through their representatives.

Questions of self-management /in agriculture/ are also resolved in a similar manner.

— In accordance with the specific production conditions, the basic unit here is the /work team,/ where work is carried out on the basis of /piecework payment./ The work team possesses all rights for it to operate as a fully competent, independent self-managing unit, settling its interrelations with other organs, organizations, and the banks through direct links and on a contractual basis.

— The work teams may form associations among themselves and many form agroindustrial complexes to solve more general tasks beyond the powers of the individual work team.

The labor collectives of the enterprises and trusts obtained the right /to form associations with other organizations and banks, including foreign firms.

— In implementing the party's concept for the further development of the cooperative movement, particularly favorable conditions are being created for /forming associations between the cooperative and the economic organizations./

As is well known, /the associations of a new type/ were set up as part of the restructuring of the economy, in order to fully utilize the capabilities of the self-managing organizations in accordance with the requirements of scientific and technical progress and the international division of labor.

— These organizations act as collective self-managing organs of the goods products from the relevant production-economic complexes.

8. /In the territorial aspect our premises for self-management at the base of the pyramid are also clear, and practical measures are already being undertaken./

— These relate to transforming the territorial units into self-managing communities with the appropriate organs of self-management, and making their population the manager of the given territory, providing them with the necessary rights, obligations, and responsibilities.

— Here we made a start from /the township/ and /the municipality/, as the lowest-level units that are also directly linked with the population.

/The municipality is the basic territorial unit, and it must be turned into a strong, viable self-managing territorial community.

The municipality obtains all rights, obligations, and responsibilities to resolve issues related to housing construction and distribution; local supplies; everyday services and public catering; transportation and communications; direct medical services; recreation and sport; preschool, primary, and secondary education; meeting direct cultural requirements; preserving and reproducing the natural environment and fostering reproduction there; meeting requirements for basic food products from its own resources, and so forth.

The municipality has the right to take part in defining the structure of production on its territory.

-- It must organize economic activity in the services and trade sector and create economic conditions for territorially subordinated enterprises to operate, form associations, and so on.

-- To solve its economic, social, cadre, and other problems, the municipality may conclude agreements with other municipalities, self-managing organizations, and state organs.

Only after fully dealing with all the issues connected with the rights, responsibilities, and obligatins of the lowest-level units will the functions and tasks, rights and responsibilities of the territorial structures at the next level be determined. /They are being reorganized into organs of self-management of the population of the municipalities of the relevent territories./

Accordingly, we are following the principles of self-management from the bottom upward in the territorial aspect as well. In this manner we are constructing a /new structure of power in the territorial aspect, where the workers are turned into managers. Here, too, a new, significant step is being taken from power in the name of the people to power through the people./

Through the declaration adopted by the National Assembly on transforming territorial units into self-managing communities and making the population managers of the relevant territory, the cycle of reorganization of the lower-level organs and cells of our society on self-management principles is being completed.

9. /The setting up of the self-managing communities is an inalienable part of the process of making our society a self-managing one./

We must not delude ourselves into thinking that we can set up self-managing communities without altering the social environment and accomplishing profound changes in the entire organization and management of our society. It would be quite impossible to apply self-management solely to individual components of the social mechanism if all the remaining components continue to operate on different principles.

-- This means that not only the lower-level communities, but also the higher levels of state government must operate on the self-management basis.

-- Self-management and decentralization of social life do not signify the end of state power and do not mean the "dismantling" of the state.

-- We are striving to create new conditions for the state to function and exercise its power, conditions that will make the state's actions and functions much more effective.

In this connection a number of questions arise.

/The first relates to the supreme organs of state government -- the National Assembly and the Council of Ministers./

The main direction that should be followed in restructuring these organs is to turn them into /organs of self-management/ in accordance with the Leninist principle of democratic centralism.

-- Under the constitution, these organs are respectively the legislative and executive organs of state power.

-- In their structure and activity the state principle dominates. The social principle is either an "appendix" or altogether absent.

Upon what principle should they be reorganized?

/On the principle that, given that all the people's communities of the People's Republic of Bulgaria are self-managing, then the central organs may exist only as organs of popular self-management./

This is the chief new feature.

Everything else is a consequence of this.

Has it been forgotten that we are running around in circles within systems and hierarchical structures that continually reproduce bureaucratic attitudes?

The point of the restructuring of the supreme organs is this:

They are to become /organs of the self-managing communities themselves,/ that is, of the self-managing organizations and the territorial self-managing units; and

they are to be controlled by these lower-level communities and /be accountable/ to them.

Among other things, this means that the postulate accepted hitherto regarding the /National Assembly/ and the people's deputies must be radically changed and that, in the future, they are to be directly elected by the people.

-- Under the new conditions a different principle must be established in the National Assembly's activity, under which the population and the labor collectives in the self-managing communities will have the deciding word.

-- A principle is required that transforms the National Assembly and the people's deputies into /authorized representatives of the self-managing communities,/ that is, of the labor collectives and the population. From this stems the need to make fundamental changes in the /structure, status, and functions/ of the National Assembly.

It is particularly important to find a successful form for combining the interests of the territorial communities and the self-managing organizations.

The National Assembly must be turned into a /collective working organ/ of self-management in which the main component units are the /commissions./ Or, to rephrase Karl Marx well-known idea, it must become a "working corporation."

-- The commissions of the National Assembly are to acquire fundamentally new powers and authorities and are to "cover" the entire range of activities in the relevant field, both as a strategy for development and as a control over conducting this strategy.

-- The work of the commissions is to acquire a permanent character in conformity with their new functions and tasks.

At the same time it is necessary /to alter the status and functions of the other state organs of the supreme level of power./

Under the conditions of self-management, when a process of drawing together and in certain cases, even of merging legislative and executive power is taking place, there is no further need for the two separate organs that have existed hitherto, namely, the State Council and the National Assembly. It is necessary to create a fundamentally new organ that should have executive and directive functions with regard to the main issues of governing the country.

-- Let us also consider which ministries should exist under this new organ.

-- These bodies should be set up on the basis of self-management principles.

In order to logically complete the picture of self-management in the economy, there is a need for a /national coordinating organ/. This will be not an organ of government, but an organ of self-management of the goods producers. In this connection it is appropriate to discuss the question of setting up a /national (Bulgarian) association of goods producers/ in which the newly formed associations of a new type and the independent economic trusts will be collective members.

-- As an organ of the self-managing goods producers, this national association cannot in principle and must not carry out state functions.

-- Its main function is to represent the interests of the self-managing goods producers in dealings with the supreme party and state organs.

-- Its range of functions and powers is to be defined by those who are its organizers and members, namely, the self-managing organizations.

It will be correct for the national association also to set up three councils for individual policy areas: for technological, market, and social policy. In these areas the association may, if so instructed by its members, also represent certain of their interests in the international field.

10. The other problem concerns the so-called /middle level./ It is hardly necessary to remind oneself that this is the element in our system that makes a great "contribution" to the failure of important party initiatives, literally destroying all their value on their path to the workers, to the broad masses of the people.

We must resolve the problem of the middle level in such a way as to prevent the over-hasty clipping of the wings of the great idea of self-management.

-- We have already undertaken decisive measures in this direction. As is well known, seven branch ministries were recently shut down.

-- However, our sorely won experience shows that here we must adopt a body of measures which will guarantee that the process will be irreversible and will be consistently brought to its conclusion. There is only one way to accomplish this task:

-- We must strip this middle level of its function of transmitting decisions and functions "from the top downward" and "from the bottom upward";

-- We must strip off, "upward" and "downward," a considerable portion of its functions, giving these functions to the higher level and to the self-managing organizations and territorial communities;

-- We must abolish this level's "diplomatic immunity"; and

-- We must deprive it of its feeling that it can act with impunity and need not answer for uncompleted or badly executed work.

In other words, we must reduce the height of the social pyramid and eliminate the lengthy hierarchical path formed by the bureaucratically ridden and self-appraising levels of authority in the middle. All this can only be achieved if the whole of this /middle level/ is reformed so as to function not as an organ of government, but as an organ of self-management of the labor collectives and the territorial communities.

/We must reexamine the activities of the present functional departments attached to the Council of Ministers./ In all the reorganizations that have been made in Bulgaria, they have always remained untouchable, because these organs are regarded as the guardians of the "holy of holies" of the state. In all the measures taken hitherto to cut numbers of personnel, their staffs have not been reduced; in fact, recently there has even been an increase both in the number of departments and the absolute numbers of their staff menbers.

-- Under the conditions of self-management, one cannot apply the old approach to this middle element.

--All these so-called functional departments must be brought into the system of self-management and made answerable for their actions.

In essence, if one makes a close analysis of the activities of these the middle-level units, it will become clear that here is one of the main causes for the "slippage" of every new idea, here fresh initiatives are stifled, here the link is broken between the level of the goods producers and the top level.

-- This requires that cardinal changes should be made in the composition, organization, structure, and functions of these departments.

There is a need for a /new synthesis of the functional organs/, in order to combine their activities in the most appropriate way.

The logic of self-management and the planned character of our economy require a total rethinking of the needs of the functional organs; only those organs which are genuinely necessary for our self-managing and self-organizing society should be set up or retained.

-- This requires the setting up of a genuinely /new headquarters staff of state power/ to develop the plan and exercise control over its fulfillment, using economic measures, levers, and means.

-- Here one is talking about a planning-economic (or scientific-economic) headquarters staff of the state, in accordance with the postulates of the February 1985 plenum of the BCP Central Committee.

As a result of the restructuring of the middle level and the creation of the new supreme executive-directive organ, the need for the present councils under the Council of Ministers disappears. We must act in this direction with determination, because any backward step or half-way measures may form the stone that will overturn the cart of restructuring.

11. /Fundamental changes are also necessary in the middle level in the territorial aspect./ Here again one should start from the municipality, from its new functions, rights, and responsibilities, in order to make it a lively territorial community in the economic, social, and intellectual respects.

-- One should reappraise from this viewpoint both the number of the present municipalities and the territories that they cover.

-- At present a number of municipalities have been created quite artificially in order for their okrugs to maintain a certain status.

The existing okrugs have already exhausted their possibilities and will act as a brake on the development of popular self-management.

Stereotypes have been formed in municipality-okrug relations of a kind which, if they are not destroyed, will prevent the municipality from becoming an open system.

/The moment is ripe to consolidate the okrugs as new structural units,/ that is, provinces [oblasti] formed as large territorial complexes. In these one must seek to achieve a harmonious development of the productive forces and the territorial infrastructure, protection of the natural environment, and an /opening up of the municipalities/ to the entire country.

-- In this way the borders of the territorial economic regions that have become delineated in fact will coincide with the "borders" of the new provinces. At the same time, by applying economic levers via these new territorial complexes, we will be able to restore and further develop the vitality of the entire territory of the country, of all the municipalities, and will overcome many of the causes of the depopulation of a number of settlements.

-- The provinces must be responsible for /the system of integrated/ social services to the population, since the municipalities are too small to be able to cope with the overall solving of this problem.

The interrelations between the territorial units and the economic organizations must be on the basis of levies for the maintenance of the territorial units and support of the territory, including levies in the form of rental payments by the economic organizations for the use of territorial resources.

Many /more functions/ must be handed over to the provinces.

-- On the basis of the generally accepted standards and laws for society's functioning in all spheres -- the economy, environmental protection, integrated supplies to the population, and so on -- the provinces must be able to make their own specific interpretations of these laws and regulations.

-- One should be aware, when one "enters" the province's territory, that a specific order is present there: a social and economic order; an order concerning the use of resources; and an order that includes the cadres and the land.

-- This order, these norms and requirements will result from the common will of the population and will be a realization of the population's views of the state and the functions of the relevant territory.

-- This also applies to the municipalities and the townships [kmetstva]. If the population has appraised this decision, if it is in accordance with the law and wise from the state viewpoint, then the decision must be observed by each and everyone.

-- In this manner the population will participate through referendums in the solving of the most important matters.

-- Thus many malpractices will be eliminated, and the population itself will act to ensure observance of the laws, and exercise control over the law and order organs, the economic organizations, and others.

In the reorganization of the territorial structures, conditions must be created to strengthen protection facilities, security, public order, and the country's defense capability.

12. /The organs of the judiciary/ must also be restructured as organs of socialist self-management.

The judicial system should be made up of the following:

-- /Independent courts/ with juries at different levels: the Supreme Court, the provincial [oblasten] court, and the municipal court, which are to decide criminal and civil cases.

-- /Arbitration,/ which is to cover cases connected with the interrelations between the self-managing organizations and the organs of self-government that fulfill functions of state. The aim should not be to seek some a decision from the outside, but to find a mutually acceptable solution through partnership.

In general, there is a need to bring the entire legal superstructure into confirmity with the conditions of self-management, to strengthen the power of the law, to improve the work of the investigating and judicial organs, and to make them responsible for their actions.

There must be a further improvement in the work of the security organs and in their cooperation with the self-managing communities.

13. /The organs of self-management must be set up on a broad democratic foundation, on the basis of public glasnost, the electoral principle, the system of competition, and the replacement of persons occupying posts [smenyaemost]./

/The electoral system/ must be substantially changed at all levels -- in the townships, municipalities, self-managing organizations, the middle level of self-management, and so forth.

-- There must be at least two candidates for each post.

The self-management system must be guaranteed by the firm application of the principle of the electors and labor collectives exercising control over the leading organs and cadres.

In order for this principle to operate, the power monopoly of a restricted group of people must be eliminated.

It is also clear that, in order for the self-management electoral system to be effective and full of life, a firm hand must be applied, under the guidance of the party, to rid it of a number of external attributes, excesses, and empty show.

In this context I would like to remind everyone that the Leninist April political policy confirmed lasting values that exist in our party's traditions. These relate to educating the cadres in a spirit of modesty, total dedication, and selfless service to the people.

14. /Concerning the social organizations/

The social organizations as well can no longer be retained in their present form. The matter at issue here is not merely their further improvement and adaptation to the new situation, but rather profound changes in their status, structure, and functions. In effect, there must be a move toward social organizations of a new type.

In the future the self-managing communities must be consolidated more and more as bodies bearing the entire responsibility for the state of affairs in their sphere.

-- However, if this is so, other organizations can no longer determine "what should be done" in the self-managing communities, labor collective, and municipality.

-- At present all social organizations are so constructed and invested with such functions that, however they may be improved, they still remain organizations that determine "from the outside" "what should be done" in the self-managing communities concerning certain issues.

It is necessary for the social organizations themselves, both in their functions and structure, to become an organic part of the self-management system.

Let us take the Komsomol, for example.

-- It is evident that under the new conditions youth associations must /be formed in the self-managing communities themselves./

-- It is also clear that once youth associations are created in the self-managing communities themselves, /organs will be required/ at the "higher" levels, including central organs, in order to introduce uniformity, conduct a certain national youth policy and strategy, coordinate forces to solve common issues, and so on.

-- However, these leaderships /will not be the same organs as hitherto, but organs of self-management./

What, more specifically, will all this provide for the Komsomol, the youth, and society?

-- The problems of the youth, both social and intellectual, /will really become problems of the self-managing communities themselves./

-- Both the /approach and method/ for solving housing and everyday educational, cultural, and other questions will also be different. The /possibilities/ will also be different, because they will be backed up by the /resources/ of the self-managing communities themselves.

-- The Komsomol association, as an organization of the self-managing community, will acquire /fundamentally new/ rights, obligations, and responsibilities. A /different situation/ will be created for the work of the youth and their associations. They will form part of the collective of the manager of socialist property.

-- In other words, a situation is being created in which the /manager/ has a vital interest in taking on the responsibility for youth issues.

The questions of the /trade unions and the Fatherland Front/ can be dealt with in a similar way, taking their specific requirements into account. The same applies to the other social organizations and movements.

/In general, under the conditions of self-management it is the self-managing community that must carry out rich, diversified work in all directions./

Within the community it is not only possible, but necessary to form various associations of people with similar interests, clubs, and so on.

/However, these will be components of the self-managing organization and not, as now, subdivisions of over-bureaucratic social organizations and movements./

The application of the self-management principle in all spheres of social life, including the cultural field, requires an appropriate change to the /organization and activity of the creative artists' unions./

-- Under the conditions of self-management in /intellectual production/ the /lower-level units,/ where the processes are implemented, will greatly grow in importance.

-- The lower-level units must have at their disposal all the rights, obligations, and responsibilities they need for their work.

In general, it is now necessary to reorganize intellectual production on self-management principles.

The self-managing organizations in the intellectual sphere might form their own /national association/ to carry out such functions and tasks as are entrusted to it by its members.

To conclude this section, the transformation of our society into a self-managing one requires that the necessary changes be made to the Constitution of the People's Republic of Bulgaria.

IV. Concerning New Quality in Economic Relations and Unleashing the Social Energy of Society [subhead]

The issue of economic relations is of primary importance in the concept of the further construction of socialism in Bulgaria.

The following is dependent on these relations:

— How successful we will be in implementing the transition to a qualitatively new technological foundation of socialist society; and

— How successful we will be in utilizing the capacities of the human factor and unleashing the social energy of the people's millions. For several years, especially since the 13th BCP Congress, we have been developing broad-scale work in a search for fundamentally new solutions. First and foremost, we changed the approach, though still guided by Marxist-Leninist theory, and started not from the consequences, but from the causes that promote the various unfavorable phenomena. In this connection we brought to light those new natural laws that are important at the present stage and that must be taken into account if we are to solve the problems.

1. What is the chief way in which the defects in the economic relations model which we have applied hitherto manifest themselves?

— /Stagnation in the development of property relations,/ creating conditions for feelings of alienation from property, irresponsible management, and waste.

— /Underestimation of the requirements of the law on value and the commodity-money relations connected with this./ For many long years we have tried to "hold this law under arrest" and to skip over the objectively necessary stage connected with its operation in our development.

— /The development, and application on this basis, of planning and management methods that are extensively oriented and based on expenditure,/ which hampered, retarded, and put barriers in the way of scientific and technical progress, made our economy unreceptive to the achievements of science, and reduced its efficiency.

— /The development of certain disproportions in the economy, of "balance stagnation,"/ and chronic shortages of a number of raw materials, other materials, goods, and services.

2. /What are the most characteristic features of the new model for economic relations?/

It is that it is consistently constructed in accordance with objective natural laws, wherein every element of economic relations occupies its proper place, taking into account the requirements of these natural laws as a whole.

— At the base of this model we placed property relations, which are the very core of the entire system of social relations.

— A principal characteristic of the model is the transition from predominantly administrative methods and regulators to predominantly economic ones.

-- The law on property, the commodity-money relations connected with it, and the requirements relating to distribution relations that stem therefrom occupy proper positions in the model.

/Guided by this, we centerd our work on making an analysis of those objective processes that must be carried out in order to raise socialist property to a new level./

3. /The placing of socialist property under the management and administration of the labor collectives, as announced in the declaration of the National Assembly, represents a new stage in the development of property relations, a radical change in the very heart of production relations in accordance with the changes that are taking place in our society./

-- For us, socialist property is sacred and inviolable. It will continue to develop in the future on the basis of the planning principle and in the interest of the people and the whole of society.

-- Placing it under the management and administration of the labor collectives does not conflict with the process of the socialization of property, nor does it represent a transition to group ownership of property or a denationalization of the means of production.

In this context it should be emphasized that the development of socialist self-management will lead to an enrichment of the forms of socialist property and of their content. The numbers of those responsible [subekti] for socialist property will be multiplied. This, for its own part, will create a still more solid foundation for /expanding, deepening, and increasing the variegated forms of socialist property./

-- For example, cooperative property will flourish anew and be rejuvenated.

In this way conditions will be created for true rivalry between the two forms of socialist property and, without creating artificial "hothouse" conditions for either, the one which is more vital and is able to achieve greater economic success in the specific sphere or activity will prosper.

-- /The property of the municipalities/ and the population living in their territories will also be developed. It will probably exert a predominant role in certain spheres of activity developed by the territorial self-managing communities.

-- There will also be a development in the working participation of the labor collectives or individual workers in developing and enriching the different forms of socialist property, within a framework determined by the relevant self-managing communities, with the aim of forestalling the possible appetites of speculators.

-- There will be an expansion in the extent of /mixed property/ -- national and foreign, involving both socialist and nonsocialist countries.

-- /Individual labor activity/ will also develop, closely linked to the different forms of property.

Life itself will indicate which are the most efficient combinations of the different forms of property:

-- nationwide and cooperative;

-- nationwide and municipal;

-- nationwide property, combined with the working participation of labor collectives or individual workers;

-- nationwide, cooperative, and municipal, in combination with working participation, and so forth.

In the development of these, a very important requirement will be to clarify our understanding of the /criteria for the maturity of the different forms of property./

-- Attention must always be directed not so much toward the method used in the socialization of property as toward the /motivating force/ that one or another form of socialist property exerts in order to bring the social energy of the people more fully into play.

-- In selecting the forms of property and their combination, the /main criterion/ should be the achievement of the fullest possible economic and social realization of socialist property, that is, which one of the forms makes socialism stronger and more attractive under specific conditions.

4. /The new property relations will also assist in attaining a new distribution of power within society, that is, political relations will also be changed in the direction of a new type of democracy under which the center of gravity of the entire social structure is shifted from the apex to the base of the pyramid./

For its own part, /the uniformity of the economic and political powers/ in the hands of the labor collectives will strengthen their awareness of being a true manager and will change their thinking and mental attitude.

-- /The chief feature of the new social climate will be the consciousness of mutual responsibility and mutual respect for one another throughout the entire horizontal and vertical chain of the social reproduction process./

-- Conditions will be created to overcome phenomena of passivity, apathy, and alienation, and the sense of responsibility and exigence toward oneself and others will be heightened because each and every one will begin to sense within himself the unity of his own individual interest and the public interest.

-- An end will be put to the harmful view that under socialism it is only the state that represents and defends the public interest.

The empowered manager will be directly interested not only in his own work and that of his collective, but also in the correctness of the decisions at every superior level and in the fitness of the persons authorized to adopt these decisions. He will not only have an interest in this, but will also possess rights to exert influence on the cadre staff and the conduct of these superior levels./

We know that everything will not be achieved at one stroke, but we are sure that we must move forward toward this.

5. A new important element in economic relations is the creation of /adequate conditions/ for the activities of the socialist goods producers in conformity with the Law on Value and the commodity-money relationships. This forms a guarantee for achieving a successful /combination of the different categories of economic interests/ -- public, collective, and individual.

In every society production relations represent relations between people -- between individuals, collectives, social groups, and classes. As a result of this, they manifest themselves as economic interests. It is well known that Engels wrote in his own time: "...The economic relations of every society manifest themselves primarily as interests."

/Economic interests are the motive force for society's development, the strongest motivator of human behavior./ Neither the objective laws nor production relations in themselves are a source of development. They become such a source only when they become identified with the economic interest of those performing economic or any other activity.

What are we referring to here?

We are referring to a /highly developed system of economic regulators,/ incorporating a number of elements of self-regulation and self-organization, that will enable us to "translate" the principles of the new economic relations into a businesslike, effective "language" understandable to everyone, a language so lucid, unambiguous, convincing, and attractive as to convince the millions of workers of the following:

-- That if they work well, it will be good for them and for society;

-- That if they do not work well, it will be bad for them and for society; and

-- That nothing in the world comes free, and one can rely on nothing apart from the results of one's own persistent, conscientious labor.

/In short, the profound transformations we are accomplishing are aimed at more strictly and consistently taking account of the interests of all strata of the people, and at rallying them to ensure qualitatively new growth in all spheres of social life./

-- The people have risen and are rising in revolution, led by their own interests. Under socialism we cannot solve the new problems unless we take control of interests and turn them into social energy.

It is necessary to reach the interests of individuals. To take into consideration and multiply their power in the interests of the collective, of every social community means making the people true managers both in the labor collective and in the area where they live.

This principle must be consistently applied throughout the entire chain:

-- From scientific inquiry and the development of technologies to the realization and consumption of material and intellectual goods in different spheres.

-- From investment activity and concern for the efficient utilization and development of socialist property in all its specific forms of manifestation to distribution relations in the sphere of consumption and education.

-- Naturally, all other interests, that is, political, ideological, cultural, etc., must be developed in harmony with reasonable economic interests.

/This fusion of interests,/ aimed at implementing the new goals facing our society, is being effected in the cells of society -- in the agricultural work team, the production units, in industry, in the territorial communities of the population, and so on.

-- /The new type of organization of work,/ which combines in itself all the possibilities for voluntarily shaping the composition of the collective organs, their electoral principle, self-supporting nature, and distribution of results according to the individual and collective contribution, this is the spell by which the interests of people are being "captivated."

Irrespective of whether industry, construction, agriculture, health, science, artistic creativity, or any other sphere is concerned, /the chief thing is the free association of people in the different component units on the basis of the economic interests of the individual and the collective./

6. What are the more important characteristics of the system of economic regulators?

/Under the new conditions, planning will continue to be the main tool used by the socialist state to supervise the national economy. However, there will be a radical change in the approach to working out the plan and its contents./

The state plan will determine the basic proportions and indices for the development of the country and the production complexes. After this, a dialogue will commence at all levels on the implementation of the plan.

The dialogue is to be conducted:

-- At all planning levels; and

-- Between partners on the basis of equal rights and responsibilities, bearing in mind the interests of the state and the self-managing organizations.

This plan is to serve as a starting base for developing the activities of all organizations on an economic basis:

-- /For the goods producers/ to draw up and ratify their own plans;

-- /For the associations/ to coordinate activities and conduct a uniform policy within the framework of the production complexes; and

-- /For the banks/ to financially guarantee the fulfillment of the plan and to exercise comprehensive financial control through the lev.

As can be seen, the state plan will continue in the future to be the "central axis" in our national economy around which the country's economy will "revolve." But now this "axis" will be maintained by economic relations and interests rather than by administrative ones, providing a much more efficient mechanism of motivation.

This is the fundamentally new, different feature in the planning system.

/Restructuring in the banking system occupies a key position in the entire range of measures for restructuring economic relations./ The new principles on which the banking system is being built break new ground in a number of directions.

The reorganization of the banking system will have an immense effect on our economy and will create conditions for developing the most effective economic measures.

-- The new commercial banks have an especially big role to play in this respect; they have a direct economic interest in providing credit for the most effective economic initiatives.

-- Conditions are being created for the "grafting together" of bank and production capital and more efficiently utilizing commodity-money relationships in the economy.

-- The control functions of the banks are being extended, that is, first and foremost, control through the lev, everywhere and in all activities.

-- The banks are to play an increased role in accelerating scientific and technical progress through a system of preferential credits, through setting up funds of risk capital for innovations, and so on.

-- New spheres of banking activity are being developed that will increase the dynamics of our economy.

It should be noted that the commercial banks, though they are banks of the goods producers, possess complete economic independence. Economic interrelations, not administrative ones, exist between the two groups.

The banks' new role also provides an answer to a much discussed problem, namely, the bankruptcy of the socialist enterprise.

-- This problem now leaves the sphere of discussion. As soon as the enterprise fails to operate well and incurs losses, the servicing bank may declare it bankrupt.

-- Of course, bankruptcy is an extreme measure, but it is important that the bank should have this power, because otherwise it may fail itself.

/A new approach is also required in the field of prices and price setting./

In the setting of prices of consumer goods such an approach should be applied as to enable us to eliminate the distortions and strains that have accumulated in this field.

-- These can no longer be tolerated, since economic, political, ideological, social, and all kinds of other problems are brought to a focus in prices.

In determining retail prices it is necessary, so to speak, to set up a "bar" that the producer or merchant /has no right/ to leap over. In determining the height of this "bar," one must /primarily take account of the purchasing power of the people's millions./

We require a regulating mechanism for wages and retail prices of a kind that continuously brings both prices and wages into correspondence with the requirements of the law on value, and that guarantees /the continuous increase of people's incomes/ and the expansion of production at a qualitatively new level.

-- Accordingly, to correctly set retail prices for consumer goods, one must set off in reverse along the entire technological chain, as far as the raw material stage, and determine the prices for the different levels on this basis.

The prices of goods for industrial purposes should be determined on the basis of socially necessary expenditures rather than on the basis of their subjectively planned size or on arbitrarily set expenditure standards.

-- For the majority of these goods, the yardstick for socially necessary expenditures will be the prices for which we actually export these goods or the international market. These will be the maximum permitted prices, the "bar" that no one is entitled to leap over with his prices on our domestic market. Anyone who exports to the international market may jump over the bar, but not in our own market.

We must gradually ensure freer market influence, create a more realistic rate for the lev against other currencies, and introduce democracy into foreign trade conditions with a view to effective participation by our goods producers in the international division of labor.

/Radical changes are also necessary in the sphere of self-financing and the interrelations of the self-managing economic organizations with the state budget./

It is necessary to start to gradually eliminate the financing of capital investments through the budget and to more actively stimulate the investment activity of the economic organizations.

-- The self-managing organizations must independently decide where and how they are to invest and in which direction they are to develop. However, as well as possessing great rights, they also bear full responsibility for the consequences of their decisions.

-- The state will exert active economic influence in order to create the same economic conditions for the functioning of the self-managing organizations. It will utilize economic stimuli of various forms and directions for this purpose: prices, taxes, duties, and so forth.

This new type of interrelations will undoubtedly increase the responsibility of the self-managing organizations and will make them "sensitive" to the negative and positive effects of their activities.

/The requirements of the commodity-money relationships must be reflected even more fully in the organization of the payment for labor./

-- It is necessary to introduce a method of payment that stimulates the labor collectives and individual workers to produce varied, good quality goods that are wanted on the market.

-- The residual and results-based nature of the Wages Fund must be strictly observed, establishing the closest possible link between individuals' wages and the end results. Wages and salaries must be paid out for the result of work, not for the mere fact that it was carried out, for the occupancy of a post, and so on.

To ensure that our designs are effective and full of life, /it is now necessary to eliminate once and for all the great evil of bringing everyone down to the same level. [uravnilovka]./

In his argument with Trotskiy, Lenin long ago proved most convincingly that one cannot have shock work with distribution on an equal-level basis. And the practical experience of socialist construction has confirmed this brilliant insight.

However, we have not always and in all fields managed to practice to consistently follow the requirements of the socialist principle on the remuneration of labor. In a number of cases the humanity of our society has almost become pure aims giving.

Our postulate concerning remuneration is now clear-cut and categorical.

/He who provides more for society, who creates the new technologies and accomplishes the maximum results in terms of the quality and competitiveness of the products of his labor -- he must receive more as compared with the others./

/A marked differentiation/ in remuneration must be boldly applied -- in science, production, management, in fact over the entire front.

-- However, those who are satisfied with /routine activity/ and with the corresponding results from this activity will receive the minimum that provides them with a decent existence, in accordance with our humane standards.

-- Those who create at the level of the leading achievements of the scientific and technical revolution will be better paid, irrespective of their length of service, the posts they hold, and so forth; there is to be no "ceiling" for their remuneration, and they are also to have higher social prerequisites.

This is the main factor as regards the payment system. /Everyone is granted equal opportunities for his performance so that every working individual may develop his own talents for the sake of his own interests and in the interest of the collective and of society as a whole./

As a socialist society we are obliged to promote the /competitive spirit/ and the creative working performance by establishing equal conditions for all people and enabling them to demonstrate, prove, and develop their own skills.

-- Today we must create a favorable atmosphere; we must establish rules and norms likely to /promote and honor the front-rankers, the innovators, the truly militant workers,/ and those who are performing revolutionary deeds and are achieving innovative results in science and technology, in the economic sector, and so forth.

Until recently we had failed to create all the conditions and prerequisites necessary for struggling against the trend of bringing everyone down to the same level regardless of the positive solutions on the competitive principle, on the development of workers in their own jobs, and so forth.

Today, however, everything is entrusted to the people. Under the newly existing conditions, the state is merely setting up a yardstick for the standard of the results to be obtained and for their effectiveness.

-- Those who are able to do so, are free to exceed the requirements, to produce and earn more, and to advance further in their professional development.

-- The task is to find and apply the most effective mechanisms for the development and operation of the Workers Wages Fund, for a flexible application of the new wage scales.

This is how we will eliminate any opportunities for bringing everyone down to the same level.

There are certain groups of specialists, above all those employed in the scientific and technological sectors, and in the health protection and educational fields, whose wage scales should be reevaluated as soon as possible in conformity with their constantly enhanced social role under the newly existing conditions.

7. /The establishment and the further, prompt, and extensive encouragement of a competitive atmosphere and of socialist competition in all spheres of our society:/

-- This should be implemented through socialist competition, through influencing both the domestic and international markets, and in doing so we must ensure the most appropriate organizational-economic situation and guarantees for a normal functioning of the system of economic regulation [regulatori].

-- As a result of this, favorable prerequisites will be established for the extensive promotion of scientific-technical and economic initiative.

We must accomplish all this for the sake of socialism, for the sake of creating a situation under which all those who work better and give more to society will live better and will earn better wages. It is high time for all of us to understand that socialism is a lofty, humanitarian, and noble society, but it is by no means a charity institution.

V. On the Transition to a Qualitatively New Technological Basis for Our Society [subhead]

The development of productive forces and of social production is a determining factor. Therefore, it deserves particular attention, both from a theoretical and a practical point of view.

The model of the past as regards social production can no longer serve its purpose, because its practical possibilities have been fully exhausted. To put it more precisely, we can say that the following possibilities have been exhausted:

-- The basic moving forces of the model of the past (such as the technological basis, the resources, and so forth);

-- The principles of organization, production, and labor;

-- The active coordination and synthesis factors and so forth have been exhausted as well.

-- In other words, we can say that all the possibilities of the past approach in the development of productive forces have been totally exhausted. Any attempt to accomplish a drastic change on the basis of the past approach is doomed to failure or, at best, can obtain only certain partial results.

/As a result of all this, we need a basically new concept, a new model in developing production and productive forces./

-- This is necessary for the following reasons:

-- Because of scientific-technical progress and, above all, because of the profound, crucial changes in the technological basis of productive forces;

-- Because of the drastic changes which have occurred in the international division of labor and, above all, because of the intensified integration processes within the CEMA framework.

-- Because of the necessity to adapt ourselves to the processes and contradictions emerging in the national economy as a result of objective conditions existing in our country and so forth.

The scientific-technical revolution introduced essential changes in the qualitative characteristic features of productive forces, changes we have to take into consideration.

-- The structure and the composition of productive forces are expanding, which includes the introduction of fundamental sciences.

--The "intellectualization of production" has increasingly expanded; the structure of international technological exchange is rapidly changing and being modernized.

Without a drastic change in the development of our country's productive forces, it is impossible to implement the move toward qualitatively new growth.

It was on this basis that following the 13th BCP Congress and following the December 1986 BCP Central Committee plenum, we began to consistently solve the emerging contradictions and to map out the basic outlines of the new structure of social production.

-- We began with the organizational structure of the economy, and this was the only correct path to be followed. Any other approach would have been accompanied by infinitely more difficulties and losses of time and resources.

The organizational restructuring of our economic sector, which we have already accomplished, will accelerate the ensuing stages in the restructuring of our national economy and will further speed up these processes.

An analysis of the contradictions that have emerged in our economic sector shows that one of the main reasons for this is due to the departmental and branch-based organization and structure of social production. For this reason we initiated the construction of production complexes and of associations of a new type.

-- /Production complexes/ were developed on the basis of the newly existing trends in the development of productive forces and under the influence of leading trends of scientific-technical progress.

-- These complexes represent a basis for a change in the commodity structure of our economy, in the classification [eshelonirane] of our national economy, in eliminating the departmental and branch restrictions, and so forth.

-- /Associations/ of a new type are powerful economic groups that create conditions for promoting a uniform technological, marketing, and social policy for all economic organizations -- commodity producers -- that have joined these associations.

In creating such organizational-production structures we have accomplished one stage of the restructuring process in our economy.

As I already pointed out, the development of the past in which, according to objective conditions, extensive factors prevailed, has already exhausted its possibilities.

/Our development must necessarily be based on intensive factors, but it cannot limit itself to them./

-- We need a model that includes intensive factors and tends toward the rather prevalent technological method of development of social production.

-- This is a model which marks a trend toward the merging of science with production and of production with science. /In other words, we are aspiring for the development of an "intelligent," intellectual production./

-- The restructuring process of productive forces and of production will undoubtedly be prolonged and by no means easy.

-- The important thing now, however, is to lay down solid foundations and to give a correct, initial impetus to our economy.

The basic trends of restructuring in social production are closely connected with and stem from the objective laws of the present stage of historical development.

-- Hence, the main requirement: That the material-technical basis of socialism can only be a basis built upon the achievements of the contemporary scientific-technical revolution.

-- The circumstance results in the necessity for profound structural changes in the development of productive forces.

/First. The dynamic pace of scientific-technical progress requires that the productive forces should develop in a manner which will build a flexible and promptly adaptable social production.

-- We are talking about a criterion which is the result of long-term trends, trends stemming from the requirements of the international and domestic market, from the very nature of modern technologies.

This means a profound and drastic change in our approach to the organization of social production, a change in the criteria regarding the evaluation of draft decisions, a change in the requirements toward workers and specialists, a change in the system of providing the necessary technologies, a change in the financing and credit system of production, a change in the system of providing scientific services, and so forth.

-- The necessity of developing flexible and promptly adaptable social production requires a drastic change in the statutes, in the organizational and production stereotypes, a new philosophy in organizing production processes, and so forth.

/Second. The transition to a qualitatively new technological basis of productive forces is a crucial factor in this connection./

/On the one hand,/ it is necessary to attain a drastic improvement in the existing technologies in order to ensure social production, which consists of the following measures:

-- lower energy and raw material expenditures;

-- less manual labor and a higher degree of mechanization and automation process, and so forth.

We are talking about a prompt increase in the share of resource-saving technologies, which are of decisive importance for the transition from the extensive to the intensive trend of development.

/On the other hand,/ we are talking about the transition to the next, technological stage of development which is based on the extensive application of basically /new technologies./

The transition to /intelligent production and technological systems/ must be treated on a priority basis in dealing with the technological base of our society. /The core of this basis is represented by the following necessary measures:/

-- a "marriage" of electronics and industrial technologies.

-- technologies which do not require manpower for their operation and modern operational systems;

-- information and communications technologies, and so forth.

The new technological basis must create the necessary conditions and opportunities for /structural changes in the economic sector,/ such as:

-- transition to production and exports of systems and entire industrial projects;

-- transition to science-intensive products;

-- intensification of our participation in the international division of labor in highly technological sectors, and so forth.

/Third. We must devote particular attention to the question of the production structure and to the problems of concentration and specialization.

-- In this respect it is particularly important to reject in a timely way certain outdated postulates which prevailed in our theory and practice throughout many years, and this does not apply only to our country.

/It is, however, even more important to understand the decisive, new factors which determine the future character of social production, and this will offer wide opportunities for the accelerated development of productive forces of a qualitatively new type./

What do we mean in this special case?

-- Above all, we are talking about the steadily intensified worldwide trend of restricting giantism in social production.

There is a question of transition to a different type of social production built on a qualitatively new technological basis, the question of a new type of production and labor organizations, and so forth. This transition is based on an entire complex of factors, such as scientific-technical progress and the new technologies connected with it, as well as the worldwide development of new necessities, changes in raw material resources, and so forth.

In assessing all this, we must systematically implement a transition to a qualitatively new social production structure in our country.

The question, above all, concerns the transition to a /new balance in the internal production structure/. It implies an increase in the share of small enterprises which are flexible in their production -- that is, which adapt themselves to the needs of the markets by producing a varied range of goods -- and a reduction of the share of enterprises engaged in serial and mass production.

-- In this case we are not talking about some kind of "rebirth" of manual production. To assert this means to be totally ignorant of the processes connected with the contemporary scientific-technical revolution.

-- In this case we are not talking of the so-called small enterprises which we developed in the last 3-4 years, although their experiences will certainly be useful for our future.

-- /In this case, we are talking about a basically new type of social production based on the most up-to-date production and management technologies under which mass production is replaced by relatively small series or individual orders./

Our new vision as regards the development of social production means to develop this kind of production structure on a priority basis. However, I would like once more to stress that we are talking about enterprises equipped with the most up-to-date management systems under which technologies not requiring human intervention [bezlyudni] prevail.

-- Generally speaking, we must develop a certain type of social production structure that combines, in a limited way, the large, medium, and small enterprises.

Two other questions are emerging in this connection as priority trends in social production, namely, the question of the /regional development of productive forces/, and the question of /dynamics in the creation of new types of production and the gradual elimination of ineffective types of production./

-- In the context of the restructuring process, the regional development of productive forces is assuming qualitatively new dimensions and is becoming more important. On this basis, we must resolve the majority of problems connected with the establishment of regional scientific-production complexes and technological centers, as well as with setting up specialized "high" technology regions and so forth.

-- Within this context, it is becoming urgently necessary to create conditions for the prompt development of new, high technology types of production.

-- We must create a mechanism capable of promptly eliminating outdated and ineffective types of production. Without such a mechanism our economy will not acquire the necessary dynamic strength.

/Fourth. The productive forces in our country must develop as an integral part of the productive forces worldwide and keep abreast of their pace. We are talking about the national image and international character of productive forces./

-- On the one hand, we are developing as part of the world socialist system and, on the other hand, we are actively participating in the international division of labor.

As a result of all this, the development of productive forces in our country must be always be compared to and assessed on the basis of world standards.

Any deviation from this line will be to our disadvantage and may deprive us of future chances in a number of spheres.

In this connection, our strategy regarding the development of our productive forces must be to become more aware of the increased internationalization trends. The following elements are included in this internationalization process:

-- Capital;
-- Technologies;
-- Science;
-- Raw material resources and so forth.

We must take all this into consideration when we plan the structure of production, its specialization, organization, and so forth.

-- We must implement our production and technological development primarily on the basis of scientific-technical and production integration with the CEMA member countries and, above all, with the USSR.

/Fifth. It is necessary for us to evaluate in a new manner the effect exerted by contemporary scientific-technical revolution on the development of productive forces in the agricultural sector./

Considerable technological changes are emerging in this respect, changes that will have a global effect on social production. For our country these changes are of particular importance, stemming from the natural resources and conditions existing in Bulgaria.

We must create conditions for the expansion of two objectively acting processes:

-- On the one hand, chiefly as a result of the prompt development of biotechnologies, the industrialization of the agricultural sector will be intensified along the lines of the peculiar "separation" of this sector from the natural environment and along the lines of creating basically new technologies closely linked to the natural environment and depending upon it.

-- On the other hand, the technological "explosion" in the agricultural sector causes considerable changes in the raw material supplies of numerous industrial activities, part of which are of particular importance for our future.

-- We are talking about the development of a solid, "green" raw material base which renews itself annually, and without which a number of new production complexes cannot exist because it will be the source of their supplies.

-- We are talking about the achievement of a new ecological profile in the development of the technological basis of social production, which is expected to be in full harmony with the environment.

/Sixth. We must attach exceptionally great importance to our work as regards the so-called "embryonic" phase in the development of productive forces./

--/We are talking about science, its structure, its organization, and so forth./

In this respect, we have the tremendous resources of the February (1985) and January (1986) plenums and of the 13th BCP Congress. We can add to this the experience of the party throughout the entire post-April plenum period.

Science is becoming a key factor for us today as regards the pace of our development and as regards the scope of our future economic, cultural, and social dimensions.

-- This is precisely why we must accomplish a thorough restructuring in this sphere, since science is the factor that will guarantee our dynamic development.

-- Restructuring in the organization and structure of our science must be accomplished by assessing the specific characteristic features of our science in conformity with the goals and approaches applied in other spheres of our society.

-- It is necessary to stress the need to guarantee prerequisites for the organized introduction of science into the production sphere and for the establishment of a uniform scientific-production process.

-- Naturally, we will continue to widely apply the materialized scientific product from abroad in our country.

The question of restructuring the educational system is closely connected with the restructuring of science. This applies in particular to the training of cadres with higher and secondary school education. The presently existing system is no longer adequate for the new requirements of scientific-technical progress in our country; hence, the necessity of its further restructuring.

-- The educational system must train cadres who are able to cope with the newly existing and future requirements of our economic, cultural, and social spheres.

/Seventh. We must devote special care to the development of productive forces connected with the sphere of public services./

It is superfluous to stress that in our country, and not only in our country, this sector was totally neglected in the past, a fact for which we naturally have to pay a heavy cost today. We can no longer ignore this problem, however, because this would mean to work against socialism, against the socialist working man.

We must devote the necessary attention to the public services sphere; we must guarantee the necessary production resources, scientific-technical potential, and other prerequisites for this sphere.

/Eighth. It is necessary to assess the new role and significance of the individual, who is the chief productive force of social production./

-- In this connection we are not talking about general theoretical conclusions and recommendations. We were familiar with the theoretical aspect of this issue even in the past.

-- It is necessary to accomplish a drastic change for the better in our practical actions regarding this issue.

Under the newly existing conditions the qualities of the individual -- as a worker, specialist, and leader -- become 10 times more important than in the past. This will be even truer in the future as we more intensely create and apply our modern management system.

Along with the introduction of new technologies the worker will, to an ever increasing extent, manipulate the production processes with the help of electronic, information, and communications means, introducing an entirely new element in his position, role, and place and in regard to the requirements with which he must cope.

-- In the first place, the education and training of the worker becomes a permanent, uninterrupted process -- from the very beginning to the end of his professional career.

If this requirement mainly applied to specialists and to the higher echelons of management in the past, it will apply with even greater emphasis to every individual worker in the future.

/The striving for professional development and perfect training must become one of the chief priorities and an important prerequisite for higher wages./

This new element must become /accessible to everyone/, and the workers in particular must become deeply aware of this fact.

The training of manpower at all levels must become the right and responsibility of the commodity producers.

/The quality aspect of the training of cadres/ must assume particular importance today. For this purpose it is necessary to expand the profile of professional training and to train workers with "polyvalent" qualifications, so to speak.

-- Assemblyline workers with their qualifications, typical approach, way of thinking, and sense of responsibility are no longer a model of professional training for us.

-- We need a /qualitatively new type of worker/ with solid fundamental, technical, and economic knowledge and skill, with energetic, creative strength, a worker capable of promptly participating in the accomplishment of new production tasks.

The new technological base of our society faces the leading cadres with new requirements as well. Leaders with thorough knowledge of the organization of production and labor, with solid training concerning the questions of technologies and market problems are required today.

-- We need a type of leading cadre who is capable with courage and elan of accomplishing changes of decisive importance, of getting involved in the international division of labor, and of rallying the collectives behind him.

-- Such leading cadres deserve comprehensive assistance and confidence.

We should by no means ever forget that we are working with people, that we are training people who must have a solid political and ethical background, as well as a general education and multifarious interests.

-- In other words, we must not train technocrats and manpower, generally speaking, but socialist individuals with a rich intellectual life.

VI. On the Leading Role of the Communist Party Under the Present Circumstances [subhead]

The question of the leading and guiding role of the Communist Party has been submitted to discussion at the end of the document not because it is considered unimportant or because it is somewhat underestimated. The main reason for this manner of proceeding is that the question of the party's role affects not only one or the other aspect of self-management, but it affects the self-management system in its entirety. The success of our present initiative, as a matter of fact, depends upon this question. The question of the BCP's leading and guiding role is a crucial issue, both as regards the theory and the practical experience of Marxism-Leninism and of socialism.

-- It is hardly necessary to once more prove the truth of this statement.

-- It is a fact confirmed by experience that the leading and guiding role of the Communist Party is a general and natural law in building and developing our new society.

It is by no means a coincidence that this problem is the focus of attention of all those who cope with the problems of socialism:

-- This applies to our class enemies, who are trying to take advantage of the situation and to speculate with the role played by the party in socialist society;

-- It applies to the revisionists as well, who are coming from different "little wings" and "corners" of the present and past;

-- It applies, last but not least, to ourselves, the communists in the socialist countries, who are searching for new methods and means to develop socialism further.

Without claiming to be exhaustive on this subject, we must point out the main factor worth stressing in this respect; it reads as follows:

-- Our parties, namely, the communist parties of the socialist countries, are revolutionary parties representing the workers class and all working people as a whole;

-- Our parties, both in their program documents and in their practical activities, are guided by the revolutionary theory of Marx, Engels, and Lenin;

-- Thanks to this fact, a profound historical change was accomplished in our countries under the leadership of these parties;

-- We cannot imagine the success of socialism and its transformation into a powerful factor of the contemporary historic process without the leading and guiding role of the communist parties.

We, Bulgarian Communists, have always regarded it as a task of primary importance to constantly develop and increase the party's militant strength. This is our sacred duty, inherited from Dimitur Blagoev and Georgi Dimitrov.

-- As we know, the question of the leading role played by the BCP held an important place in the decisions of the Fifth BCP Congress.

-- This was the main subject discussed at the April plenum of the BCP Central Committee in 1956.

We devoted great efforts in this respect to overcome the distortions of the Leninist principles committed during the period of the personality cult. We also devoted great efforts in connection with further developing and expanding these Leninist principles.

-- In promoting the Leninist general party line of the April 1956 plenum we have and we are devoting great care to the theoretical clarification and practical settlement of all new problems emerging in the process of our development and pertaining to the party.

-- In the years that have elapsed since the April plenum our party has developed as a Marxist-Leninist vanguard, it is successfully leading the people along the path of building the socialist society.

-- Today's innovated Bulgaria represents the most brilliant confirmation of the strength of the BCP, of its correct policy.

Now that we are proceeding toward a qualitatively new growth in all fields of work, toward thorough changes at the base and in the superstructure of society, we are once more facing the question of the party's leading role.

-- There is a fact that should not be underestimated, however, namely, the circumstance that both in our country and in other socialist countries, certain distortions were allowed to occur, some of which are the result of long-standing experience.

-- We cannot proceed further unless we face the truth and accomplish a thorough restructuring in the work of our party.

-- One of the greatest virtues of the BCP is precisely that it is capable of separating itself from everything that prevents its progress, from every obstacle that causes stagnation; that it is capable of critical assessment, and of self-criticism in the first place; that it is capable of searching for new solutions that conform to the new conditions.

The principle describing the Communist Party as the political vanguard of the workers' class is correct.

Even today, as a ruling party the BCP remains the political vanguard of the workers' class and of the people. The essential issue, however, is that this principle, which is correct in itself, was applied in certain cases in an inadequate form and with inadequate mechanisms. /In a number of sectors we even reached a situation under which power actually became the unlimited prerogative of the party, with all the ensuing consequences./

-- In the hierarchy of power the party organs today are not only a "level" of government, but actually the highest "level" of government, namely, the chief subject of power.

-- This applies both to the national level and to local, territorial units.

-- The party organs are the "highest authority" in settling numerous crucial problems, which actually are within the competence of other organs.

-- As a matter of fact, many state government organs have become a simple appendage of the respective party organs.

-- The mechanism of adopting decisions is based upon this practice. Decisions are usually adopted by the party organs, while the state organs implement these decisions.

-- The party organs and their apparatuses are all-powerful, even in the activities connected with executive power -- a department or an individual instructor of the party apparatus is entitled to pronounce a final decision about what should be done by the respective party organ and how it should be done.

-- At the same time, however, the entirety of executive power has been determined as a right and obligation of the state organs; meanwhile, the party organs are not held responsible for shortcomings and failures, despite their daily interfering and issuing instructions.

-- It turns out that the executive work has become "no man's land." On the one hand, the party organs are neither able nor entitled to deal with it.

On the other hand, however, the state executive organs are deprived of the right to adopt independent decisions and to implement such decisions.

-- The apparatus of the party and of the state organs is organized in conformity with all this. It is logical that this turns out to be a strongly inflated and bureaucratic apparatus.

This is a reality that is neither written down in the Constitution nor in the BCP Statutes. Nevertheless, it has almost become /the basis of the functioning of power./

The picture would be incomplete if we failed to mention that the "leading role" implemented in such a manner produces an /all-powerful authority of party organs and functionaries/ that cannot be controlled.

-- In numerous areas certain leading party cadres embody the power, while the role of the state government representative is reduced to zero.

-- Numerous leading party functionaries have appropriated the right to interpret the laws in their own manner, to violate them without being punished, and to manipulate the respective party organizations, thus becoming exponents of unscrupulous methods that greatly damage the party itself and the cause of socialism as well. This also represents a great obstacle to the development of self-management.

-- On the other hand, certain party organs and leading bodies have become an appendage of government officials and are loosing their political profile.

/All this inevitably produces distortions within the party itself./

-- The very fact that the party has been promoted to the rank of the chief subject of power is in contradiction with all written and unwritten principles. It promotes and creates prerequisites for certain local and central party functionaries to feel all-powerful and immune to punishment, free to violate the established norms, rules, and regulations, without being held responsible for such actions.

-- On the other hand, it happens that party organs in many places have become administrative centers. They inevitably "produce" all kinds of papers and documents, while the mania to hold excessive meetings is legalized according to all party rules.

There are numerous cases of documents issued by party organs which settle and plan the work of state organs to the last detail, setting up monthly and daily schedules and so forth.

/The excessive centralization of power, which is reaching ridiculous limits, and the unlawful substitution of the government by the party are logical consequences of the aforementioned situation./

-- In practical experience we come across typical situations under which, as a rule, decisons, are adopted "at the center," while they can only be implemented at a lower level.

/We could cite more examples of this. However, the main thing is that/ the necessity of overcoming such distortions has /long since/ become urgent.

The solution of this problem consists of /creating prerequisites for the total functioning of state power that, under the newly existing conditions, will be exerted within the self-management organs./

This principle must be consistently promoted in developing and putting into operation the following organs:

-- the legislative power
-- the executive power
-- the judicial organs.

/As to the party, it cannot be anything but a political organization whose mutual relations with the state government are developed in conformity with the principle of political leadership in the development of socialist society./

From this point of view we must stress the following;

-- The party is not and cannot be considered a "level" in the hierarchy of power. The hierarchy of power is formed by the respective people's self-management organs;

-- The party is not a body of power. It is a political organization that has certain given mutual relations with the government and self-management organs.

/It is, obviously, an urgent necessity to begin explaining the place, role, and functions of the party in determining the trends of the further development of socialist society./

A totally new vision is required in this respect:

-- Today, as you know, party congresses "predetermine" the main activities of the supreme organs of power, such as the parliament and the government. They determine the trends and the course of development, as well as the essence of the socioeconomic plans.

-- Following the congress, the same things on the subject of annual plans and other basic problems are repeated at Central Committee Plenums.

The solution of important questions in the course of plan fulfillment plays an important role in the work of central and territorial party organs as well.

-- A similar picture can be observed in the activities of basic party organizations and their leaderships.

What is the fundamental principle which we must consider as our basic point of departure under the newly existing circumstances of implementing the party's leading role?

/The Communist Party as a Marxist-Leninist vanguard of the people has the right and responsibility to determine the general course of society and to shape the fundamental trends of the country's socioeconomic development./

-- The party sets forth these views in its programmatic documents.

-- Its role must be expressed in further developing these documents, and this means to do so in the general policy it conducts.

-- As to the contents of the party's programmatic documents, they do not and cannot coincide with long-term and 5-year plans for the country's development.

The following rights must be granted to the self-management organizations and to their self-management organs:

-- The right to determine or specifically implement party policy for each subsequent period of economic development, in the social sphere, and in cultural life.

-- The right to compile and confirm their plans without submitting them to the discussions of party forums.

-- The right to search for and apply new approaches, methods, and means of plan fulfillment, and so forth.

/The important thing is that respective self-managing organizations and their organs should guarantee the achievement of the general goals mapped out by the party./

The leading role of the Communist Party is expressed in the following activities:

-- in the consistent implementation of /cadre policy/ in conformity with party principles;

-- in the purpose-oriented implementation of /educational and ideological work/ in the spirit of Marxism-Leninism among the entire population and, in particular, among the youth;

-- in the creation of an appropriate /political and moral atmosphere, of an appropriate ideological environment/ such as is necessary for the successful implementation of the party goals in real life.

Today it is particularly important to increase the party's capability of maintaining /vigorous ties/ with the working people and with all strata of the population, and to guide the people in the implementation of the great tasks of restructuring and of qualitatively new growth.

Naturally, the /analytical processes concerning the methods of implementing the party program/ must play an important role in the work of the party organs.

The party can neither avoid this task, nor transfer it to someone else. It is, however, necessary to /change the very postulate/ about the party's rights, obligations, and responsibilities.

-- Things have developed in such a manner today that the party organ simultaneously deals with analysis, adopts decisions, and further exerts control over the implementation of decisions.

-- In doing all this, the respective party organ inevitably duplicates the work of the state organs, and even paralyzes their efforts.

The radical change that should be carried out must be expressed as follows:

-- /First,/ through the fact that party organs are following the state of work along /general, strategic/ lines in observing the manner in which /party policy is being implemented./

-- /Second,/ through the effect it actually has as exerted by the /party cadres/ in respective links.

-- /Third,/ that the party and state organs cannot only be /partners/, but even /opponents/ whenever this becomes necessary.

The mutual relations between the party and the self-management organs at all levels must be implemented on this basis, and the same applies to relations between party organs and social organizations. Dozens of crucial and controversial problems will be solved on this basis, the cadres' responsibilities toward the party will be enhanced, and the party will no longer be directly responsible for everything that happens in this country.

In promoting all these principles it becomes obvious that the /way power operates will change, and also the situation of the party itself is subject to changes./ The party will no longer need its present, inflated apparatus and will cope with the work of party organizations and party committees in a new manner.

This is a problem of essential importance. While the numerous negative manifestations we are now discussing were not felt as strongly in the past as they are today, they are becoming a factor of stagnation in the present period of transition to self-management.

What do we mean here? We mean that the question of power is a question of the real transformation of millions of people into a body of government. /Under these circumstances, to enhance the authority and strength of power means to ensure the leading role of millions of people in the operation of power and vice-versa, to transform millions of people into a body of power means to consolidate power./

More than ever we need strong, vital, and effective authority. Everything that obstructed this authority in the past must be eliminated. In this context the syndrome of misunderstood "party leadership" should be one of the first things to be eliminated.

/Investing power with real meaning and enhancing the authority of the government require that we should pay serious attention to some of its external attributes:

-- power today is usually represented by leading party figures and organs.

On solemn occasions, festive meetings, celebrations, in welcoming foreign delegations, and so forth, the power authorities are mainly represented by members of the BCP Central Committee Politburo and Secretariat; the same applies to events in okrugs and municipalities, in enterprises, and other organizations.

-- There are cases when election meetings are chaired by party secretaries.

-- This "method" is practiced on numerous other occasions, as well.

All this is an expression of an erroneous practice, constantly re-enacted and which directly, or indirectly, has a negative impact upon the people's faith in the cause of our party and in our ideals.

Clearly, it has become necessary to restore things to their natural order. This must be accomplished in an uncompromising manner, because the leading role of the party is a vitally important principle of our society and we cannot allow it to be jeopardized.

I would like to stress once more at the end of this document that the profound changes mapped out here do not by any means signify an underestimation of the leading role of the party. On the contrary, liberating the party from functions and tasks that are incompatible with its role as a political vanguard, and establishing of correct relations between the party and the state power, between the party and self-government, as well as social organizations, will enable the party organizations and leading bodies, the party members, and the party as a whole, to create the necessary political and ideological prerequisites for the implementation of the trend to a qualitatively new growth, the acceleration of our socioeconomic development, and a more effective implementation of the leading role of the BCP.

-- At the same time, this requires a decisive enhancement of the entire party's /organizational and ideological standards,/ it requires a consolidation of /interparty democracy/ and a constant intensification of the party's /relations with the masses./ The complete restructuring of society, the successful practical implementation of our great goals depends to a great extent on the aforementioned factors.

The following question could emerge in this context: Is there not a danger that a /vacuum,/ may be created by the process of restructuring party work, that /disturbances/ may occur in the transitional period during which the self-governing organizations have not yet fully assumed their functions, rights and responsibilities, while the state power organs have not yet restructured their work in the spirit of our new visions?

This is a logical question. /Nevertheless, we should not allow such a danger to emerge. It is necessary to introduce the changes systematically, not to leap forward, and to avoid skipping over the gradual stages of restructuring./ The process of restructuring must be regarded as a /comprehensive process. Changes in party work and in party methods must contribute in the best way possible to the accomplishment of restructuring in all other spheres of social life./

/I repeat: the national goal we set ourselves for the period up to the end of this century is to transform Bulgaria into a highly developed and civilized socialist state.

/Today, using all efforts and means, all forms of economic, ideological, and educational work, it is necessary to establish a creative, new atmosphere, an atmosphere of active competition to achieve this goal./ We must /subject/ everything to this /national goal,/ to this truly /nationwide cause./ All our initiatives must be linked to this goal in the following order:

-- /Daily professional work/ in enterprises, in the fields, in technical design bureaus, in schools, higher educational institutions, in scientific-research institutes, and so forth must be devoted to this goal.

-- /Initiatives in the field of /social policy/ must be devoted to this goal.

-- Our entire /cultural development/ as well as the activities of the /mass media/ must be devoted to this goal.

The following institutions and individuals must wage a /struggle/ to achieve this goal:

-- All those involved in ideological and political work.

-- All social factors and mass organizations working along all lines of our development.

We have great /expectations/ regarding the contribution of our scientific intelligentsia and of our specialists in this respect.

No one should delude himself that the practical implementation of the aforementioned concept will be easy and smooth, that it will be a painless process. On the contrary, we must be clearly aware that /we are involved in a difficult and complicated initiative which requires strong conviction, a purpose-oriented approach, and perseverance./ Things will not change at the touch of a magic wand, nor will they happen automatically, all of a sudden. The implementation of the concept will begin gradually and will be accompanied by difficulties, by emerging contradictions, and by opposition from individuals, from certain social strata, and from some leading organs.

-- Nevertheless, we should not stop at the difficulties; the complexity of this task should not prevent us from further advancing.

-- We must firmly overcome passivity, conservatism, and routine, so that all progressive new initiatives may assert themselves.

/As usually happens in times of decisive changes in our development, the Communists, the united agrarians, and all non-party people, as well as our youth will have a decisive share in the implementation of our historic initiative, and its success will greatly depend upon them./

This initiative will become the cause of our cadres, the cause of the workers collectives, and of all people. The BCP has great confidence in the people's strength and believes in their readiness and skill to turn the party's plans for the future into practical deeds.

-- Our historical optimism is based on this faith, on the faith in the glorious communist ideals, and the roots of this optimism are strong.

/To be a patriot today/ means to work with selfless devotion for Bulgaria's transformation into a highly developed, civilized, socialist state.

/To be an internationalist today/ means to work with all your efforts for Bulgaria's transformation into a highly developed and civilized socialist state; it means to participate in the common struggle for the cause of socialism and communism, to struggle for the failure of the aggressive policy of imperialism, and for the triumph of peace.

Let us be inspired patriots and internationalists!

/Let us transform the cause in which we have engaged into the cause of the masses, into the cause of millions of people/ as Lenin taught us!

This is how we will elevate our beloved motherland -- the People's Republic of Bulgaria -- to new horizons of glory!

HUSAK, USSR DECORATE VASIL BILAK ON BIRTHDAY

LD101752 Prague CTK in English 1640 GMT 10 Aug 87

[Excerpt] Prague Aug 10 (CTK) -- Czechoslovak Communist Party General Secretary and President Gustav Husak today presented high state distinctions to Communist Party Presidium member and Central Committee Secretary Vasil Bilak, awarded to him on the occasion of his 70th birthday.

In appreciation of his selfless work in building socialist society and of his significant contribution towards strengthening the unity of the international communist and workers movement, the president conferred on Vasil Bilak for the second time the honorary title of Hero of Socialist Labour and the Klement Gottwald Order for Building the Socialist Homeland.

Attending the ceremony were Czechoslovak Federal Premier Lubomir Strougal and other Czechoslovak Communist Party Presidium members.

On behalf of the party Central Committee, Gustav Husak praised Vasil Bilak's work for the party and country, and emphasized his significant contribution in pursuing the policy of the Communist Party, as well as his effort in strengthening the unity of the international communist and workers movement.

The Presidium of the Supreme Soviet of the USSR conferred on Vasil Bilak the Order of the October Revolution, for his contribution to the development of friendship and cooperation between Czechoslovakia and the USSR, and their communist parties. [passage omitted]

HOFFMANN, HAMAN ADDRESS PARTY SECRETARIES

AU101415 Prague RUDE PRAVO in Czech 8 Aug 87 pp 1, 2

["z"-signed report: "Statewide Conference of Regional Party Secretaries; On the Most Topical Tasks of Our Economy"]

[Excerpt] [Passage omitted] In his speech Comrade Karel Hoffmann, among other things, explained the procedure in implementing the conclusions of the CPCZ Central Committee Presidium aimed at improving the domestic market and the activity of the trade sector and of public catering. He critically noted that, despite the achieved stability regarding supply, the standard of the domestic market is lagging behind the growing needs of its development, and long-standing problems and shortcomings continue in the work of trade and public catering, problems which the working people point out, demanding their elimination. He stressed that the adopted measures and the restructuring of the management of trade and of public catering constitute the most extensive change in the management of these sectors since the socializaion of trade, and create prerequisites for their improvement. He said that upgrading the standard of management work, and the systematic and exacting pressure to raise the quality, effectiveness, and all-round development of intensive political and control activity on the part of party agencies and organizations in this sector are of vital importance for the implementation of these measures. The objective of the measures being adopted is to ensure fulfillment of the socioeconomic function of domestic trade and public catering, and to better satisfy the material needs of the population.

In accordance with the principles of restructuring the economic mechanism, the role of central management is also being strengthened in this sphere, while at the same time strengthening independence, responsibility, and the application of the total economic accountability.

The prerequisite is a substantial improvement of relations between manufacturing and trade, as well as the objectivization of trade margins, connected with the restructuring of wholesale prices.

An important part of the endeavor to improve the work of domestic trade is the activation of work collectives, proceeding from an extensive introduction of progressive forms of wages depending on performance and quality of work. To this end, preferential wages must be used effectively and in a differentiated manner.

Increasing the commercial independence of enterprises creates conditions for flexible solutions regarding some types of products in short supply.

The network of state and cooperative trade will continue to be of decisive importance. However, some new forms, especially the leasing of business facilities, could -- as a complementary form -- contribute to better satisfying the population's needs.

The process of restructuring the management of the domestic market, which -- as of 1 January 1988 -- will be introduced experimentally in about 20 percent of trade organizations and in public catering completely, must be linked, as Comrade K. Hoffman stressed, with the effort to bring about an immediate improvement in the activity of the trade sector through mobilizing internal reserves, and throug political pressure to improve cooperation between trade and manufacturing organizations, and by fulfilling deliveries to the domestic market within the desired structure, on schedule, and with high quality, so that we can welcome the upcomi g period of important political anniversaries with the improved standard of the domestic market.

This will also depend to a considerable degree on how effective the political work of the party agencies and organizations is, on how the effectiveness of their activity and the party's overall influence on this important sphere of our life increase.

For the construction sector it will be necessary to turn our attention toward a speedy solution in supplying projects and the population with cement, toward the fulfilling tasks in comprehensive housing construction, concluding construction projects on schedule, and speeding up a comprehensive approach to the problem of achieving a marked increase in the quality of construction works.

Concerning the current situation in railroad transportation and its tasks in the fulfillment of the state plan, Comrade K. Hoffmann said that, together with accelerating the development of the material-technical base, increasing deliveries of locomotives, freight railroad cars, and spare parts, it is necessary to very markedly raise the standard of management and of work and technological discipline, and better coordinate railroad traffic with the needs for repairs and track maintenance.

The contents of Comrade Josef Haman's speech comprised, above all, the current findings from the course of the realization of the comprehensive experiment aimed at increasing the independence and accountability of economic organizations with regard to effective development. More than 370,000 people are already working in industrial enterprises taking part in that experiment. He noted that the application of selected components of the principles of restructuring the economic mechanism is beginning and will continue to positively affect the management and economy of organizations taking part in the experiment.

The experiment enables the more extensive developments of socialist entrepreneurship and provides scope for creative initiatives by work collectives. However, he stressed with great urgency the need to consistently itemize the determined principles and rules for intra-enterprise sections and, within the framework of the economic production units taking part in the experiment, for enterprises and organizations within these economic production units.

Everywhere the aim must be to raise the standard of management, deepen and develop the powers of economic accountability and the responsibility for the results of management, for work quality, and for deepening in this spirit the effect of the material and moral incentives for achieved results.

It is very important for ranking economic personnel at all enterprise and intra-enterprise levels, work collectives of enterprises, operations, departments, and workshops to be consistently informed about their tasks, rights and duties concerning economic accountability. The assessment of the results of the enterprises involved in the experiment must be approached in the spirit of the set rules, that is, not in the "old manner." He also criticized the slowness of preparations to date and instances of central state agencies belatedly approving specific rules for enterprises participating in the experiment. Therefore, a principle has been adopted that the conditions and economic rules for the additional enterprises and economic production units -- from industry, but also from the construction and other sectors -- that will join the experiment on 1 January 1988, will have to be decided in advance, in September or October at the latest. An expansion of the comprehensive experiment on the introduction of socialist self-management for work collectives in selected organizations will be prepared in the spirit of the draft law on state enterprises. He also spoke about the progress of preparations concerning proposals for perfecting the organization of the production-technical base in industry. He stressed that the regional party agencies must also pay increased attention to the organizations involved in the experiment, ensure that the necessary political and cadre prerequisites are created, that the effectiveness of ideoeducational work is enhanced, and that the forms and methods of implementing the party's leading and control role in the gradual restructuring of the economic mechanism is deepened and perfected. He also supplied information about the orientation of the coordination consultations to be held by chairmen of party organizations in all economic production units and sector enterprises to address current tasks. [passage omitted]

BRIEFS

CITIZENS' COMPLAINTS -- Prague (CTK) -- At the press conference held in Prague on 4 August, the staff of the People's Control Commission in the Czech SR briefed the press on the handling of more than 91,000 citizens' complaints and suggestions received by agencies and organizations in 1986 (about 12,000 more than in 1985). More than half of these were found to be justified; more than 22,500 of them concerned trade organizations. The number of anonymous complaints increased; one in three of the almost 10,000 annonymous complaints was justified, and the anonymity was explained as being due to fear of chicanery by ranking personnel. The adopted rectifying measures were rather ineffective; their implementation was not consistently checked upon, and analyses have shown that the shortcomings criticized have continued to recur for several years. [Summary] [Prague ZEMEDELSKE NOVINY in Czech 5 Aug 87 p 1 AU]

HEALTH COOPERATION WITH USSR -- (CTK) -- Jaroslav Prokopec, Czech minister of health, received on 3 August an eight-member delegation of the USSR Ministry of Health, led by Deputy Minister Vasiliy Gromyko. This week the delegation will be negotiating the further expansion of mutual cooperation in medical care and visiting certain medical care facilities and enterprises. [Summary] [Bratislava PRAVDA in Slovak 4 Aug 87 p 2 AU]

HONECKER'S 7-11 SEP FRG VISIT OUTLINED

ADN Report

LD110113 East Berlin ADN International Service in German 1627 GMT 10 Aug 87

[Text] Bonn, 10 Aug 87 (ADN) -- Preparations for the visit by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, to the FRG are taking place in a positive and constructive atmosphere, government spokesman Norbert Schaefer and Dr Claus-Juergen Duisberg of the Chancellor's Office said at a press briefing in Bonn. Dr Duisberg said the essentials and all important elements on the agenda for the visit had been agreed to in talks with the GDR. Talks with the advance delegation from the GDR last week focused on technical details of the visit.

All details of the agenda have now been decided. The agenda naturally still has to be confirmed by both Federal Chancellor Kohl and Erich Honecker.

Erich Honecker will arrive at Cologne-Bonn Airport on Monday, 7 September at 1000 and be greeted by the head of the Chancellor's Office, Federal Minister Wolfgang Schaeuble. He will proceed to the Federal Chancellor's Office, where he will be greeted officially by the federal chancellor. Erich Honecker's first 2 days in Bonn will center on talks with the federal chancellor. Two talks between delegations at the beginning and end of the visit and further individual private talks between Helmut Kohl and Erich Honecker are planned. There will be two official dinners, the first given on 7 September by Helmut Kohl, the second by Erich Honecker on 8 September. Erich Honecker will talk with Federal President Richard von Weizsaecker at around noon on the first day. The federal president will then give a dinner for his guest. On the morning of 8 September, a visit to the Bundestag president is planned, and in the afternoon talks will be held with the group chairmen of the Bundestag parties.

During the next 3 days, Erich Honecker will visit several federal states. On 9 September he will meet Prime Minister Johannes Rau in Duesseldorf, visit Friedrich Engels' house in Wuppertal, and drive to the Villa Huegel in Essen, where he will meet with Dr H.C. Bertold Beitz. A visit to Trier, a talk with Bernhard Vogel, prime minister of Rhineland-Palatinate, and a visit to Karl Marx' house are planned for the following morning. In the afternoon, Erich Honecker will visit Saarbruecken and meet with Saarland Prime Minister Oskar Lafontaine. Afterward, he will pay a private visit to his birthpace in Neunkirchen-Wiebelskirchen. On 11 September, he will visit Munich, where he will talk with Bavarian Prime Minister Franz Josef Strauss and lay a wreath at the memorial at the former concentration camp at Dachau.

DPA Report

LD101936 Hamburg DPA in German 1427 GMT 10 Aug 87

[Text] Bonn (DPA) -- GDR State Council Chairman Erich Honecker, on his first trip to the Federal Republic from 7 to 11 September, will have an entourage of over 200, the majority represented by 141 journalists. The official delegation will include, among others, Guenter Mittag, SED Politburo member responsible for economic questions, and Foreign Minister Oskar Fischer. There will also be a group of 12 experts and about 50 technical staff, including an unknown number of bodyguards for Honecker.

Claus-Juergen Duisberg, head of the Germany Policy Staff in the Chancellor's Office, told journalists in Bonn today that nothing fundamental has changed in the planned course of Honecker's visit to the Federal Republic following a joint tour of inspection by an advance GDR party.

Honecker will first visit Bonn, on 7 and 8 September, to meet, among others, his host, Chancellor Helmut Kohl, as well as President Richard von Weizsaecker, Bundestag President Philipp Jenninger, and the parliamentary group chairmen of the parties represented in the Bundestag. Parallel talks are also envisaged betwen the two foreign ministers, Hans-Dietrich Genscher and Fischer, and between Fischer and Inter-German Relations Minister Dorothee Wilms.

The chancellor and State Council chairman are to hold talks for 4-5 hours in Bonn. The president is to give an official lunch on 7 September for the GDR guest, who is paying a working, not a state visit, to the Federal Republic. Kohl has invited Honecker to a dinner in the Godesberg redoubt for the evening of 7 September. Honecker is to give a return dinner in a Bonn hotel on 8 September. Duisberg said in this connection that Schloss Hymnich, near Bonn -- Honecker's official residence during his visit -- does not have sufficient space for a major dinner.

The talks held by the advance party from East Berlin with Chancellery officials were described as positive and constructive. The task of the working staffs was the technical preparation for the stages of Honecker's trip. From Bonn, he is to visit Dusseldorf, Wuppertal and Essen on 9 September, and on the same evening, to fly by Bundeswehr aircraft to the Saarland. On the program for 10 September are Trier, Saarbruecken, and a visit to Honecker's birthplace of Neunkirchen-Wiebelskirchen. Honecker's meeting with his sister in Wiebelskirchen and a visit to the grave of his parents are regarded as private.

On 11 September Honecker flies to Munich. Bavarian Minister-President Franz Jozef Strauss will meet him there, but he will not accompany the GDR State Council chairman to the Dachau concentration camp memorial. This will be done by Bavarian Deputy Minister-President Karl Hillermeier. From Munich the GDR head of state will fly back to East Berlin on a GDR Interflug aircraft, which will also carry him to Bonn. Bundeswehr helicopters will be available for the short hops in the Federal Republic during Honecker's visit.

CLASHES WITH USSR SOLDIERS REPORTED

DW101315 Hamburg DER SPIEGEL in German 10 Aug 87 p 16

[Unattributed article: "Death in the Disco"]

[Text] In the GDR there were bloody clashes between the population and Soviet soldiers. In Ludwigslust, Mecklenburg, a strong Soviet garrison, two young Red Army soldiers were killed during a brawl in a discotheque on 27 June. The two had a quarrel with East German visitors, because they wanted to dance with their companions. A Soviet military police patrol intervened with leather clubs and set off a brawl, and two soldiers were killed. Subsequently, young people went to the Soviet commander's office and smashed windows. About 20 young people are now in prison. Shortly before that incident, Soviet guards had shot two East German youngsters near Fuerstenberg, when they tried to climb a barracks wall. The two had been involved for years with Russian recruits in black marketeering (cigarettes and alcohol in exchange for lead plates for batteries).

HONECKER TELEGRAM ON USSR TRAIN ACCIDENT

AU101146 East Berlin NEUES DEUTSCHLAND in German 8-9 Aug 87 p 2

[Text] East Berlin (ND) -- Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, sent the following telegram of sympathy to CPSU Central Committee General Secretary Mikhail Gorbachev and Andrey Gromyko, chairman of the USSR Supreme Soviet Presidium, on the occasion of the railroad accident that occurred on Friday [7 August] in the Rostov area:

We were very much dismayed at the news about the tragic train accident at the Kamskaya railroad station. I ask you to accept our deepest sympathy and also to convey our sincere condolences to the relatives of the victims.

Erich Honecker,
General Secretary of the SED Central Committee and Chairman of the GDR State Council

REAGAN'S REMARKS ON BERLIN WALL ASSESSED

LD101736 East Berlin ADN International Service in German 1507 GMT 10 Aug 87

[Correspondent's Washington report: "Against the Realities in Europe"]

[Text] Washington, 10 Aug (ADN) -- Political circles in Washington who are interested in an agreement with the Soviet Union on the removal of U.S. and Soviet medium-range missiles from Europe and in a stable relationship between East and West, openly express their opinion that U.S. President Ronald Reagan was badly advised over the weekend, when he attacked the political systems in Eastern Europe and the GDR's state border with Berlin (West). It is reported here that the President must be conscious that he is thereby placing himself in contradiction to the realities which have arisen as a result of World War II and postwar developments. He could also be in no doubt that these realities must remain untouched. It is stressed that the United States was one of the signatories of the Helsinki Final Accords, in which this basic tenet of international law is laid down as a key question of European security.

It has also not escaped observers in the U.S. capital that Ronald Reagan continues to ignore the hostile acts which made, and continue to make, the protection of the GDR's border necessary. It also seems to have escaped him that the GDR's border security installations are naturally a GDR matter.

Has the "Wall" made the situation in Europe more or less secure? History has answered this question. Attacks from Washington against the reality of European borders cause more alienation at a time when the desire and efforts for a peaceful European house, disarmament, security and flourishing cooperation are growing in the East and the West.

KLEIBER, CUBAN OFFICIAL DISCUSS RELATIONS

LD101921 East Berlin ADN International Service in German 1551 GMT 10 Aug 87

[Text] Berlin, 10 Aug (ADN) -- The deepening of economic, scientific, and technical relations between the GDR and Cuba was the subject of talks held today between Guenther Kleiber, member of the SED Central Committee Politburo and chairman of the GDR side in the joint economic committee, and Manuel Gutierrez, first vice president of Cuba's State Committee for Economic Cooperation. They principally discussed the realization of important cooperation projects in the sugar industry, branches of the food-processing industry, and metallurgy and machine-building.

During their exchange of opinions, future joint plans in various branches of industry and agriculture were discussed. They assessed it as necessary to achieve the tasks set in the CEMA Comprehensive Program for the Development of Scientific and Technical Progress Until the Year 2000, and the commitment to benefit both countries.

SINDERMANN RECEIVES MALAGASY OFFICIAL

LD101423 East Berlin ADN International Service in German 1326 GMT 10 Aug 87

[Text] Berlin, 10 Aug (ADN) -- Horst Sindermann, president of the GDR People's Chamber and member of the SED Central Committee Politburo, this afternoon met Lucien Xavier Michel Andrianarahinjaka, president of the National Assembly of the Democratic Republic of Madagascar. During the talk the two politicians underscored the responsibility of the parliaments for the preservation of peace.

Before the meeting in the house of the People's Chamber, the guest, who arrived this morning on a 5-day visit to the GDR, remembered the victims of fascism and militarism by laying a wreath at the Unter den Linden memorial.

MEXICAN PRESIDENT'S MESSAGE ON GDR-CSSR PROPOSAL

AU101048 East Berlin NEUES DEUTSCHLAND in German 7 Aug 87 p 1

[Text] Mexico City (ADN) -- Miguel de la Madrid, president of the United Mexican States, has sent the following message to Erich Honecker, chairman of the GDR State Council:

Esteemed Mr Chairman:

It gives me particular pleasure to refer to your valued letter of 29 June 1987, which you sent me together with His Excellency, Mr Gustav Husak. In this letter you express your appreciation for the efforts of the participating countries of the Initiative for Peace and Disarmament and tell me about the proposals of your two countries with regard to the formation of a nuclear-free corridor in central Europe.

As you know, the goal set by us, the six leaders of the above-mentioned initiative, is not only an attempt to create a political climate that makes it possible to conclude disarmament agreements but also to raise the awareness of international public opinion with regard to the threat to mankind constituted by the existence of nuclear weapons.

I am sure that you share my government's opinion that this threat has a double meaning. On one hand, the nuclear armament spiral of past years that now threatens to extend to space increases the probability of a nuclear inferno, which would extinguish any kind of life on our planet. On the other hand, the arms race devours important resources, both human and material, which could be used to meet the most urgent demands of a large part of the world's population, with respect to health, education, and housing.

For this reason, in the declarations of Delhi and Mexico we expressed the opinion that, although the nuclear powers are responsible for the aforementioned situation, it is the concern of all of mankind to find alternatives in order to change this situation for the better.

Furthermore, permit me to say that Mexico's government feels great sympathy for the GDR-CSSR proposal regarding the establishment of a nuclear corridor in central Europe. As the most important pioneer of the first nuclear-free zone in a densely populated area, Mexico is of the opinion that the establishment of nuclear-free zones is the first step toward a general and complete disarmament under effective international control.

This applies in particular to the European continent, where a large part of our planet's nuclear and conventional armament is concentrated.

In this spirit, your government's proposal to first form a nuclear-free corridor at the border between the territories of the two large military alliances, is an important step toward eliminating this type of arms in Europe. In addition to negotiations on the establishment of this corridor, it would be desirable if the European countries were to consider the total elimination of tactical nuclear arms on this continent and to enter into an obligation resulting in the reduction of forces and conventional armaments in Europe.

I am convinced that control and reduction of nuclear armaments and the implementation of specific disarmament measures will contribute to security in Europe and in the rest of the world.

I wish you much success for your latest disarmament proposal and take this opportunity to assure you of my utmost respect.

[Signed] Miguel de la Madrid

GREEK PRESIDENT SENDS LETTER TO HONECKER

LD071455 East Berlin ADN International Service in German 1108 GMT 7 Aug 87

[Text] Athens, 7 Aug (ADN) -- Greek Prime Minister Andreas Papandreou has sent the following letter to Erich Honecker, chairman of the GDR Council of State:

I have received and read with great interest the letter of 30 June 1987 signed by you and Gustav Husak, president of the CSSR, in which you briefed me on the initiative of the governments of the GDR and the CSSR for the creation of a nuclear weapons-free corridor in central Europe.

I would like to express to you my high regard and full suport for this initiative, in which the SPD has joined since the outset. As you know, one of the basic features of Greece's foreign policy since the Panhellenic Socialist Movement [PASOK] came to power in 1981 has been the promotion of the cause of detente, peace, and disarmament, especially nuclear disarmament.

Therefore, despite the fact that Greece is a member of an alliance, I have decided to join in the initiative of the six for peace and disarmament, the chief goal of which is the elimination of nuclear arsenals.

As far as Europe is concerned, we have always supported or have ourselves undertaken, initiatives which aim at the final withdrawal of all nuclear arms from our continent. In this spirit we are working resolutely with the other Balkan states for the creation of a nuclear and chemical weapons-free zone -- a zone of peace and cooperation -- in the Balkans.

Furthermore, in a joint appeal, signed by the deceased Olof Palme, former prime minister of Sweden, Kalevi Sorsa, and by me on on 6 June 1984, and addressed to the two superpowers, we pointed out the need for the creation of nuclear weapons-free zones in the northern region and in the Balkans, and for a nuclear weapons-free corridor in central Europe. We regarded these steps as the most suitable confidence-building measures within the framework of East-West dialogue, and as measures for lessening the danger of a military confrontation between NATO and the Warsaw Pact. I fully share your view that the establishment of a nuclear weapons-free corridor in central Europe would smooth the path toward a comprehensive agreement between the two superpowers on the elimination of all nuclear weapons from Europe, and on the reduction of armed forces and conventional arms on our continent.

It is, therefore, a particular pleasure for me to be informed that the GDR and the CSSR have requested the FRG Government to enter into negotiations on the creation of such a nuclear weapons-free corridor. I believe that the circumstances are very favorable for the realization of this idea, because in the wake of recent Soviet proposals on the withdrawal of all medium-range missiles from Europe, there is great hope that an agreement will probably be reached between the two superpowers in the near future.

I am sure, dear Mr. Chairman, that your initiative is a very important contribution to the cause of peace, and I would like to assure you that the Greek Government will actively support it at every opportunity.

KROLIKOWSKI ADDRESSES LINGUISTS' CONGRESS

LD101724 East Berlin ADN International Service in German 1003 GMT 10 Aug 87

[Excerpts] Berlin, 10 Aug ADN -- The 14th International Linguists' Congress opened at the Palace of the Republic in Berlin today. Willi Stoph, chairman of the GDR Council of Ministers, is the patron of this 6-day world congress of linguists, which is attended by 1,600 academics from 64 countries.

Prof Dr Werner Bahner, president of the Congress, vice president of the GDR Academy of Sciences, and vice president of the International Permanent Committee of Linguists (CIPL), welcomed at the opening Werner Krolikowski, member of the SED Central Committee Politburo and first deputy chairman of the Council of Ministers; Dr Hans-Joachim Hoffmann, minister of Culture; Prof Dr Hannes Boernig, head of the Science Department of the SED Central Committee; Dr Lothar Oppermann, head of the Education Department of the Central Committee; Dr Kurt Loeffler, state secretary at the Ministry of Culture and deputy chairman of the GDR Committee for the 750th Anniversary of Berlin; and other personages.

The academic concern with language and the various languages of the world was well calculated to contribute in a humanistic spirit to international understanding, Prof Bahner said.

Today, when the safeguarding of peace and the prevention of a nuclear inferno has become the most pressing task, there is the need, now more than ever, to work in a fruitful academic cooperation at a broad international level. [passage omitted]

Werner Krolikowski conveyed the greetings from Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State; Willi Stoph, chairman of the GDR Council of Ministers and patron of the Congress. Linguistic research could substantially contribute to international understanding and dialogue between states and thus promote the victory of reason, realism, and mutual confidence in international relations, he said. It is able to do so by revealing, more and more, the connection between language, thinking, and social reality, and demonstrating both the possibilities of language as well as its misuse for inhuman purposes.

The GDR has raised the safeguarding of peace to the highest concern in its policy, Werner Krolikowski emphasized. Therefore, the GDR actively supports the proposal of Mikhail Gorbachev, general secretary of the CPSU Central Committee, concluding an agreement on the elimination of U.S. and Soviet medium-range nuclear missiles in Europe, and also the Soviet Union's willingness to remove all medium-range missiles and operational and tactical missiles from Asia, that is, to bring about the global double-zero solution.

"The latest Soviet proposal to conclude with the United States, a treaty on the mutual reduction of stratetic offensive missiles by 50 percent, has our full support." Together with other Warsaw Pact states the GDR is making great efforts to mobilize, through her policy of constructive dialogue, all forces of reason and realism to ban war forever from the life of mankind and to safeguard lasting peace.

In recent decades linguistics in the GDR has undergone considerable and commendable development, Werner Krolikowski said. Among the outstanding achievements were the dictionaries of contemporary German and books on the history of the language and on automatic language processing. GDR linguists were addressing more intensively the question of what part language played in the development of the personality and the awareness processes. Greater attention was being paid to the further raising of linguistic culture.

New, discriminating demands were made by the scientific-technological revolution on the communication processes. The greater part of these tasks could be solved only if linguistics established constantly closer relations with other social sciences as well as the natural sciences. [passage omitted]

ECONOMIC STATISTICS FOR JULY REPORTED

AU101148 East Berlin NEUES DEUTSCHLAND in German 8-9 Aug 87 p 1

[Text] East Berlin (ADN) -- According to preliminary statistical data, national income in July rose by 4.2 percent compared with the same month last year as a result of the work of working people of the GDR's national economy.

In industry, industrial goods production increased by 4 percent in July. Net production went up 7 percent and labor productivity 7.5 percent. [paragraph continues]

In the initiative "Return funds to the state -- Contribute to national income" material and financial funds totaling M530 million were returned to the State Bank by means of checks in July.

The high speed of growth is being maintained in the application of key technologies. Since the beginning of the year 24,511 office, personal, and workplace computers have been produced; this is an increase of 9,435 units compared with the same period last year. Some 7,714 memory units for computer technology in excess of the plan have been produced, compared with last year's growth of 83 percent. Regarding computer printers the plan has been overfulfilled by 4,823 units and production growth amounts to 95 percent. Production of optical fiber cables rose by 203 percent, monolithically integrated circuits by 48 percent, and microlithographic devices by 31 percent.

Building output in the construction sector rose by 3.3 percent in July and net production by 6.4 percent. In July 16,714 apartments were newly built or modernized. Thus housing conditions improved for another 50,000 citizens. Dresden and Leipzig suffered plan backlogs regarding new construction of apartments.

In July 1,783 places in kindergartens, 735 places in nurseries, 51 classrooms, and 12 school gymnasiums were handed over to public use.

In agriculture the monthly plan for state procurement of slaughter animals was overfulfilled by 9,600 tonnes, milk by 20,600 tonnes, and eggs by 19.9 million units.

In July the railroads increased goods haulage by 2.3 percent compared with the same month last year. In the post and telecommunications sector planned achievements were reached.

Trade ensured supplies for the population. In July retail trade turnover was 5 percent above that of July 1986. The population's net money income also rose by 5 percent. An export surplus was achieved in foreign trade.

In the individual sectors of industry the following growth in net production and labor productivity per workday, and the following reduction in prime costs per M100 of goods production were achieved by the end of July:

	Net Production	Labor Productivity	Reduction in Prime Costs
	-- in percent --		
Coal and energy	3.3	2.6	1.1
Ore mining, metallurgical industry, and potash	9.3	9.7	2.1
Chemical industry	3.4	4.2	0.1 increase
Electrical Engineering, electronics	14.5	15.3	3.6
Heavy machinery and installation construction	5.3	5.8	2.0
Machine tools and processing machinery construction	8.7	9.6	2.5
General machinery, agricultural machinery, and vehicle construction	4.6	5.2	0.1
Light industry	4.1	4.8	0.5

Glass and ceramics industry	5.8	6.3	0.9
Bezirk-administered industry and foodstuffs industry	5.8	6.3	0.7
Geology	8.3	7.3	2.8

Within bezirk-administered industry the following development per workday in net production growth and manufactured goods production for the population, and the following reduction in prime costs per M100 of goods production were achieved:

	Net Production	Manufactured Goods for the Population	Reduction In Prime Costs
	-- in percent --		
Capital city of Berlin	11.8	5.4	1.1
Cottbus	10.1	4.0	1.5
Dresden	6.0	5.6	0.9
Erfurt	8.4	5.8	1.5
Frankfurt	3.4	4.6	1.8
Gera	8.6	5.4	1.4
Halle	9.6	2.1	1.2
Karl-Marx-Stadt	6.3	2.2	0.2
Leipzig	2.6	2.0	0
Magdeburg	10.9	5.3	1.9
Neubrandenburg	7.2	1.6	0.6
Potsdam	9.3	3.9	1.7
Rostock	1.4	1.4	0.3
Schwerin	11.0	6.9	1.9
Suhl	6.4	5.7	2.2

GROSZ TELEGRAMS CONDOLENCES TO USSR'S RYZHKOV

LD101747 Budapest MTI in English 1629 GMT 10 Aug 87

[Text] Budapest, August 10 (MTI) -- Karoly Grosz, chairman of the Hungarian Council of Ministers sent a telegram of sympathy and condolences to Nikolay Ryzhkov, chairman of the Council of Ministers of the USSR over the railway accident at the Kamenskaya station.

GROSZ BRIEFS PARLIAMENTARIANS ON GOVERNMENT PROGRAM

LD102146 Budapest MTI in English 1258 GMT 10 Aug 87

[Text] Budapest, August 10 (MTI) -- Parliamentary officials, the chairmen of the standing commissions and the leaders of the country groups of MPs held a meeting in the parliament building on Monday with Speaker Istvan Sarlos in the chair. Karoly Grosz, chairman of the Council of Ministers, gave briefs on the main principles of the draft governmental programme of socio-economic stabilization, and replied to questions.

The meeting was attended by Jozsef Marjai, deputy chairman of the Council of Ministers, and Peter Varga, head of the Administrative Department at the HSWP CC.

BRIEFS

JOZSEF BENYI VISITS INDIA -- New Delhi, July 23 (MTI) -- Hungarian Deputy Foreign Minister Jozsef Benyi held talks in New Delhi on Hungarian-Indian relations with Eduardo Faleiro and Nathar Singh, ministers of state for foreign affairs, A.G. Asrani, deputy foreign minister, W. Govariker, deputy minister of science and technology, S. Paintal, chairman of the Indian Academy of Sciences, Raghunandan Bhatia, one of the general secretaries of the Indian National Congress, and with other leading Indian personalities. Both sides encouraged to enrich contacts, and better utilize the opportunities of development. They agreed in the contents of the three-year cultural, and the technical and scientific work schemes. The sides exchanged views on issues related to the European situation, and Asian security and cooperation. [Text] [Budapest MTI in English 1531 GMT 23 Jul 87 LD]

NEW BURKINABE ENVOY -- Budapest, July 23 (MTI) Meleque Traore, incoming ambassador of the Republic of Burkina Faso to Hungary, has presented his credentials to Rezso Trautmann, vice president of the Presidential Council. Present was Peter Kovari, deputy minister of foreign affairs. [Text] [Budapest MTI in English 1330 GMT 23 Jul 87 LD]

SZABO TOURS GYOER-SOPRON -- Istvan Szabo, member of the party's Politburo and chairman of the National Council of Producer Cooperatives, has visited Gyoer-Sopron County. He acquainted himself with conditions in the region and then visited the [?Rekard] agricultural machinery factory of Gyoer and the Gyoer consumer and marketing cooperatives of Oetteveny. Istvan Szabo concluded his tour by visiting the state training farm of Lajta-Hansag. [Text] [Budapest Domestic Service in Hungarian 1630 GMT 29 Jul 87 LD]

POLITYKA ON 'PSYCHOLOGICAL WAR' AT BORDER CROSSINGS

AU101418 Warsaw POLITYKA in Polish 1 Aug 87 p 4

[Jerzy Baczynski article: "A Tourist War"]

[Text] For several years now, Polish tourists crossing the borders of some countries, notably Czechoslovakia, Romania, and Bulgaria, have been complaining about numerous difficulties caused by those countries' customs officials. We used to receive letters describing the unlawful confiscation (or rather, seizure) of property, attempts to provoke bribery, discourteous and sometimes downright brutal treatment of our tourists, voluntarism, cynicism, and the impunity of customs officers. We printed reactions to these occurrences several times, declining to provide editorial commentary, however. We did not even regard drastic cases of discrimination against Poles as a sign of excessive zeal or malice by customs officers, who must have been annoyed at the "smuggling" and trafficking in which Poles indulge. In other cases, it was possible to explain the conduct of customs officers by pointing to restrictive rules (in Romania), bad work organization at border crossings, or something that one might call the human failings of customs officers.

I must admit that we always wrote about "occurrences" at border crossing points with a certain amount of shame, first because it was fraternal countries that were involved in these customs conflicts, and as we know, family misunderstandings should be cleared, not exacerbated; and second because we knew that our tourists were not blameless -- in fact they were not so much tourists as professional traffickers, giving our brethren quite an unpleasant "image" of us.

This year, however, things went much too far. The facts are known, so I will only recall them in general. Apart from the disputes at the borders of Czechoslovakia, Romania, Bulgaria, and the GDR, which are already part of tradition, anti-Polish practices suddenly began to be applied by the Yugoslavs, and then the Hungarians. Yugoslav customs officials demanded -- quite unlawfully -- dollar payments for tourists' baggage. They often imposed these charges without even examining the baggage. The tariff, or rather the bribe, was fixed spontaneously, and amounted to -- $30, or $50, or $100. Whoever was unable to pay was sent back to Poland. First of all, Yugoslav customs explained that such practices were against the rules and asked Polish tourists for information on the conduct of customs officials, and then they said in an official statement that the complaints of Poles were "inaccurate" because customs charges are payable only in dinars and only after a detailed baggage search, and that "the customs services always behave according to the rules." In other words, the tales told by Polish tourists were quite simply untrue. The SFRY customs authorities believe their officials, that is all. So much for the Yugoslavs.

And now the Hungarians. The situation here is even worse, because for the first time ever, overt and official discriminatory practices have been applied to Poles, and only to Poles. They involve the payment of so-called transit guarantee fees in convertible currency, without prior notice being given to Poland, and at the height of the tourist season. (We had learned earlier that a foreign currency deposit that had been paid was difficult to claim back). These guarantee fees have been imposed on any goods whatsoever, depending on what the customs officer consider appropriate. In addition, special channels have been established for Polish tourists (transiting through the country!), at which troublesome and degrading controls are carried out. Poles are also controlled in public places (just like in Bulgaria), and the goods carried by Poles are confiscated from them everywhere.

These discriminatory moves by the Hungarian authorities have already encountered a Polish Government protest. A Hungarian embassy representative was summoned to the foreign ministry, and the government spokesman has said that intervention and investigations have already been undertaken vis-a-vis the authorities of the Hungarian People's Republic and Yugoslavia. Minister Urban said that the new customs practices have antagonized mutual relations between our countries, and that the Polish Government expects a rapid return to the previous principles of customs controls for tourists.

There is not much we can say about the negotiations that have taken place via "diplomatic channels," so all we can do is learn their final results. It is good that the Polish authorities have adopted an unequivocal and firm stance in this matter. Our citizens have the right to expect their government to protect their interests when abroad, wherever they are. We are mature enough to know that the friendly relations that join Poland to the other socialist countries do not rule out disputes and differences in opinion and interests at all. Hiding sorry facts, which everyone knows any way, does not encourage good-neighborly relations. It is far better to call things by name and try to relieve emerging conficts and resolve misunderstandings than to cultivate a Utopian vision of an "agreement on every issue."

I consider the fact that the long-lasting "customs wars" have finally ceased being healthy -- mutual prejudice and resentment have been unveiled. The successful dissipation of years of emotion is essential in order to purify the atmosphere of "lower-level" relations with our friends.

First of all, let us try to understand the other side's way of think . There is no doubt that at some border crossings, the sharper treatment of Poles is an echo of the years 1980 and 1981. But the chief motives for the conduct that we consider discriminatory are economic. Apart from the USSR, we are the most populous socialist country, and our citizens travel more frequently and easily! At the same time, it is known that the average Pole is a poor tourist, that the amount of foreign currency he can purchase legally is small, and that some people going abroad try to recoup the costs of their trip by means of barter. There is also a small number of people (compared to the 3-4 million Polish tourists who travel to the socialist countries) who are professional traffickers and who organize regular transfer of goods and currency, supply local "black markets," and buy up attractive goods. Nevertheless, these people form the most conspicuous group. No socialist country possesses a surplus of goods, hence the understandable tendency to protect one's own shops against a drain caused by tourists.

We can understand this, after all we too have never defended traffickers, who broke the rules of the country they were visiting. The militia is there to prevent this. However, we cannot agree to having all Poles treated as potential criminals and to an application of the principle of collective responsibility. In any case, trade goes in hand with tourism always and everywhere. Hungarians or Yugoslavs who come to Poland behave no differently than we do when we visit their countries; some of them buy souvenirs, and others buy goods which they intend to sell later. Even if we frown upon this, does the scale of these purchases threaten our market equilibrium? Does it really justify such a restrictive customs policy? Are the Poles also meant to introduce discriminatory practices vis-a-vis the Hungarians and Yugoslavs?

I have the impression that the "losses" caused by the buying of goods are incomparably smaller than the political and psychological losses caused by an open "customs war." Bolting borders shut in front of one's face -- for that is what the systematic intimidation of tourists leads to -- is not a trivial matter at all, even though it "only" applies to private foreign trips. In fact, it means an undermining of the principles and goals of socialist integration. It means that liberties are limited to the sphere of macroeconomics and free, friendly contacts to an official level. Can we indeed establish integration as the joint declarations say we can, without gradually abolishing the restrictions on a free flow of persons and goods? Everywhere in the world, not just in the Common Market, there is a move away from customs tariffs in tourist traffic, and yet we are returning to the era of avid protectionism.

We may not expect the PPR authorities to remain passive if the current discriminatory practices vis-a-vis Polish citizens continue. But we believe that this is a road that leads nowhere. One should look for ways of restricting the negative phenomena that accompany tourism, but this should not happen at the cost of mutual intimidation, resentment, and arrogant action. The customs regulations and practices of various socialist countries have evolved far enough to be the subject of serious talks both at CEMA level and during bilateral political consultations (for example, the astonishing practice of security deposits payable in convertible currency).

We think back on the things that happened this summer with shame, especially since they involved countries which we traditionally regard as our closest friends. All that is left is to hope that the present high temperatures at border crossings will fall.

We already have the first such signs. The press has reported that at the Polish Government's request, Hungarian customs have temporarily suspended the payment of transit guarantee fees by Polish tourists, and have simultaneously called for "rapid talks leading to a joint solution to this problem." Indeed, it lies in our joint interests to put an end to the "psychological war" at border crossings.

RESTRUCTURING TALKS HELD ON DEBT TO WESTERN BANKS

LD311914 Warsaw PAP in English 1410 GMT 31 Jul 87

[Text] Vienna, July 31 -- The last round of talks on the restructuring of Poland's debt owed to western commercial banks ended here between representatives of a group of approximately 500 banks and a Polish delegation, made up of the representatives of the Ministry of Finance and Poland's commercial bank. Head of the delegation and the bank's first deputy-president Jerzy Malec told PAP's Franciszek Malinowski:

"As a result of tedious and difficult talks, which lasted several months, we have finally reached an agreement on the restructuring of all Poland's debts owed to western commercial banks, falling after January 1, 1988. In line with the present agreement repayment has been spread out over 15 years.

"The agreement pertains to the sum of 8 billion U.S. dollars. We expect that the document will formally be signed during the next few months," Malec said.

At the same time the hitherto applied credit interest margin was reduced from 1.75 percent to fifteen-sixteenths of 1 percent over the base interest rate.

Furthermore, the hitherto credit interest margin of so-called revolving credits was reduced to 15/16 percent over the base interest rate.

JARUZELSKI NOTES FOOD SHORTAGES DURING SANOK VISIT

LD070855 Warsaw Domestic Service in Polish 1005 GMT 6 Aug 87

[Excerpts] For 2 days, Wojciech Jaruzelski has continued his unannounced visit to the voivodships of southeastern Poland. He has been meeting with farmers, workers, sales people, and with young citizens at summer camps and on vacation. Yesterday, he visited the Merkury department store in Sanok and then visited farms in the village of (Bykowice). [passage omitted]

[Begin recording] [Unidentified voice] There is a bit of a shortage of hard cheeses at the moment. At the moment, we have only this smoked type. [words indistinct] In principle, later, in the fall-winter season, there (?is enough), but now, in the tourist season, there is a bit of a shortage. There are melted cheeses -- the 50-gram type -- in theory. I've got butter, buttermilk, kefir. We've got that. Today we've even got 12 percent [fat content] cream. We've got bread at the moment, hot bread...

[Jaruzelski, interrupts] Aren't there any bread rolls?

[Unidentified voice] No. There are no rolls.

[Jaruzelski] And is there no wholemeal bread, for example? Maybe some people like it. Don't you have any?

[Unidentified voice] Yes, we will get it, only at the moment there is a sort of momentary shortage. We had rolls here [words indistinct] but...

[Jaruzelski interrupts] So in principle, it (?exists)?

[Unidentified voice] [Words indistinct] It exists. Yes, yes, we get it all the time. We're sure to get it in a short while. (?Very often) there is only a momentary pause.

[Jaruzelski] And what about these shelves? Are they empty because there is a shortage?

[Unidentified voice] Powdered milk. There is a general shortage of powdered milk. [Words indistinct] also that blue [as heard] milk for children. [end recording] [passage omitted]

JARUZELSKI MEETS WITH SUMMER CAMP YOUNGSTERS

LD102119 Warsaw PAP in English 2034 GMT 10 Aug 87

[Text] Warsaw, Aug. 10 -- PUWP CC First Secretary Wojciech Jaruzelski met today with young people spending their holidays at the "Awangarda 21" (Vanguard 21) camp in Rozalin near Warsaw.

The camp was organized for pupils and students who are best in social activity and score good results at their schools and universities.

The meeting which lasted nearly four hours took the form of a direct talk marked by an exchange of views and thoughts on the most significant problems of Poland today.

PLANNING COMMISSION OFFICIAL VIEWS 5-YEAR PLAN

LD081555 Warsaw PAP in English 1437 GMT 8 Aug 87

[Text] Warsaw, August 8 -- One and a half years into the Five-Year Plan 1986-1990 critical voices are surfacing as regards some of its provisions.

Have the preconditions of development changed, thus forcing a verification of certain provisions of the plan. PAP asked the director of the long-term planning team of the Government Planning Commission, Stanislaw Zawadzki. He said:

Thus far no unforeseen changes have taken place, both regarding those outside the Polish economy and inside it. One could mention, for instance, that foreign debt is growing, that we are still suffering from a lack of balance, low growth in the work force, the need to save materials, raw materials and fuels and the like. I also do not see any basis for changing the main aims of the national socio-economic plan and the directions of the socio-economic policy adopted in it. Anyway, the Sejm (parliament) must take a stand on this issue, Zawadzki said.

The example of investment projects allows one to understand what significant changes occurred with the introduction of the reform into the planning system, that is, in the significance and role of plans, he added.

At present plans are to a large degree of an indicative character, that is, they inform about the possible direction and scale of development, under the condition that the provisions stemming from development determinants are met. In the case of investment projects, the national socio-economic plan has estimated the overall capacity of the economy to accumulate resources at the level of 10 trillion zloyts, it did not, however, fully and precisely determine the directions of their allocation. The volume of outlays is currently determined by the plan for only 59 central investment projects (that is, about 11 percent of total outlays), for investment projects of budget units and voivodships, Zawadzki pointed out.

The plan also determines the undertakings tied with international agreements, the key directions of scientific-development research and the like, as well as the instruments of influencing economic organizations. These include incentive mechanisms and ways of economic coercion for the accomplishment of the general goals of the plan.

Planning experts partake in work on the programme of implementing reform by proposing the most effective means of indirectly influencing economic efficiency. If the document reaches further than the entries adopted thus far there will be a need for changes in the national socio-economic plan in its part pertaining to the means of implementing economic policy. The concrete solutions which will capitalize on the conclusions stemming from the shortcomings in certain sections of the economy will be taken into account in the annual plan for 1988. One should stress that it is a component of the five-year plan and that it is built on the basis of the provisions of the five-year plan, Zawadzki concluded.

LEADERS' PUBLIC APPEARANCES 29 JULY-4 AUGUST

AU070738 [Editorial Report] Warsaw TRYBUNA LUDU in Polish monitored from 30 July through 5 August reports the following appearances of Polish leaders (date and page number given in parentheses):

PZPR First Secretary Wojciech Jaruzelski received Professor Alfons Klafkowski, chairman of the Constitutional Tribunal, in connection with his 75th birthday (30 July, p 2). On 29 July, he received a delegation from the Polish Society of Political Science (30 July, p 2).

On 30 July, PZPR Politburo Member and Foreign Minister Marian Orzechowski visited the Kazimierz Pulaski Higher Engineering School in Radom and talked to students (31 July, p 2). On 30 July, he received Khalequzzaman Choudhury, new ambassador of Bangladesh (31 July, p 2).

On 31 July, PZPR Politburo Member and State Council Deputy Chairman Kazimierz Barcikowski received the following ambassadors, who presented their credentials to him: Pak Sang-am of the DPRK; Mitsutaka Akiho of Japan and Khalequzzaman Choudhury of Bangladesh (1-2 August, p 2).

State Council Chairman Wojciech Jaruzelski sent a telegram to Swiss President Pierre Aubert in connection with Swiss National Day (1-2 Aug, p 2), to Jamaican Governor General Florizel Glasspole in connection with Jamaican National Day (3 Aug, p 2), and to Thomas Sankara, head of government of Burkina Faso, in connection with Burkinabe National Day (4 August, p 2).

ISRAEL'S SHAMIR TO PAY VISIT IN AUGUST

AU101731 Bucharest AGERPRES in English 1709 GMT 10 Aug 87

[Text] Bucharest, AGERPRES, 10/8/1987 -- At the invitation of President Nicolae Ceausescu of the Socialist Republic of Romania, Yitzhaq Shamir, prime minister of the State of Israel, will pay an official visit to Romania, in the second decade [ten-day period] of August 1987.

NECULAI IBANESCU, TOTU MEET LIBYAN ENVOY

LD110855 Tripoli JANA in Arabic 0713 GMT 11 Aug 87

[Text] Bucharest, 11 Aug (JANA) -- Neculai Ibanescu, deputy prime minister of the SR of Romania, has praised the cooperation between the Great Jamahiriyah and Romania. Receiving the secretary of the Libyan Arab People's Bureau in Romania yesterday, Mr Ibanescu valued the positive results of the meetings of the Joint Arab-Romanian Committee which were held in the Romanian capital of Bucharest last month.

He also stressed the strong desire of all the officials in Romania to develop relations of cooperation with the Great Jamahiriyah and find new prospects for this cooperation.

Romanian Foreign Minister Ioan Totu also met with the brother secretary of the People's Bureau in Romania the day before yesterday, and also stated that relations between the Romanian people and the people of the Great Jamahiriyah are constant and strong. He said "We endeavor to develop them to serve our common objectives" and that President Nicolae Ceausescu "is personally following their development," before adding that "we are eager to implement his directives in the interest of the two friendly countries."

BRIEFS

REUSABLE METAL RESOURCES -- Bucharest AGERPRES 6/8/1987 -- In 1986 Romania reused more than 7.6 million metric tons of steel, over 810,000 metric tons of pig iron, 42,000 metric tons of aluminium, 24,000 metric tons of copper, etc. As for the recycling of metal resources, worth mentioning is their contribution to balancing the domestic primary resources as well as to saving energy and social work. Following the recycling of metals like iron, aluminium, copper, magnesium, titanium, 2,600 kwh to some [as received] 73,700 kwh (with titanium) and nearly 89,000 kwh (with magnesium) were saved per one metric ton of product. According to calculations, the recovery and reuse of waste iron was conducive to an autonomy of 42 percent compared to 9 percent as the country's iron production achieved. This activity will be stepped up in the years of the current quinquennium (1986-1990). In energy, for instance, owing to the multifarious reserves identified the recoverable resources will grow by another 5.5 million metric tons of conventional fuel by 1990. [Text] [Bucharest AGERPRES in English 0703 6 Aug 87 AU]